



May 3, 2010

Jocelyn Boyd, Esq.
Interim Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

RE: SCPSC Docket No. 2010-__-E

Dear Mrs. Boyd:

In accordance with the Stipulation and Procedure and Mechanism for Recovery of Costs and Incentives for Demand-Side Management and Energy Efficiency ("DSM and EE") Programs approved by the Commission's May 6, 2009 directive in Docket No. 2008-251-E, Carolina Power & Light Company, d/b/a Progress Energy Carolinas, Inc. ("PEC") hereby submits for filing its DSM/EE Filing Requirements and the Testimony and Exhibits of Robert P. Evans.

PEC seeks Commission approval of its Demand-Side Management and Energy Efficiency Rider DSM/EE-1, to become effective July 1, 2010.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Len S. Anthony', with a large, stylized loop at the end.

Len S. Anthony
General Counsel
Progress Energy Carolinas, Inc.

LSA:mhm

STAREG959

STATE OF NORTH CAROLINA

COUNTY OF WAKE

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DOCKET NO. 2010-____-E

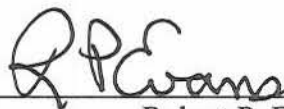
VERIFICATION

PERSONALLY APPEARED before me, Robert P. Evans, who, after first being duly sworn, said that:

I am a Lead DSM Regulatory Specialist in Progress Energy Carolinas, Inc.'s Efficiency and Innovative Technologies Department;

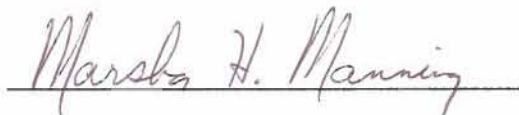
I am authorized to make this verification;

On May 3, 2010, I caused to be pre-filed sixteen (16) pages of direct testimony supporting and explaining PEC's DSM/EE Cost Recovery Rider Application filed that same date. This testimony and application were prepared by me or under my direct supervision and control and are true and accurate.



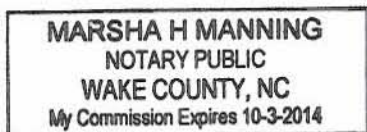
Robert P. Evans

Sworn to and subscribed before me,
this the 3rd day of May, 2010.



My Commission Expires:

10/3/2014



Progress Energy Carolinas, Inc.

Demand Side Management and Energy Efficiency Programs

Filing Requirements

**Pursuant to Procedure and Mechanism for Recovery of Costs and
Incentives for Demand-Side Management and Energy Efficiency
Programs Approved in Docket No. 2008-251-E**

Docket No. 2010-____ -E

May 3, 2010

Recovery request for actual DSM/EE costs incurred from April 1, 2009 through March 31, 2010 and for forecasted costs covering both the period July 1, 2010 through June 30, 2011. This request will result in the modification of rates associated with the Company's DSM/EE rider.

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Provision (f)(2) – List of customers opting out of participation

(f) Special Provisions for Industrial or Large Commercial Customers.

- (2) At the time the electric public utility petitions for the annual rider, it shall provide the Commission with a list of those industrial or large commercial customers that have opted out of participation in the new demand-side management or energy efficiency measures.
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Please refer to Appendix A which provides a listing of industrial and large commercial customers, as of March 31, 2010, that have opted out of participation in PEC's new demand-side management or energy efficiency measures.

Provision (h)(1)(i) - Projected SC retail sales for the rate period

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
- (i) Projected South Carolina retail monthly kWh sales for the rate period.

The Company's projected South Carolina retail monthly kWh sales for the rate period, July 1, 2010 through June 30, 2011, are provided in the following table:

Projected South Carolina Retail Monthly kWh Sales

Month	Estimated kWh
Jul-10	599,299,394
Aug-10	632,498,299
Sep-10	575,294,685
Oct-10	504,336,975
Nov-10	458,875,086
Dec-10	515,213,377
Jan-11	586,145,084
Feb-11	521,059,283
Mar-11	494,506,852
Apr-11	478,980,659
May-11	486,874,860
Jun-11	554,592,826
Total	6,407,677,380

Provision (h)(1)(ii)a - Total expenses expected to be incurred during the rate period

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - a. total expenses expected to be incurred during the rate period in the aggregate and broken down by type of expenditure, per appropriate capacity, energy and measure unit metric and the proposed jurisdictional allocation factors;

For purposes of cost recovery through the DSM/EE rider, the Company's expected expenses for the rate period, July 1, 2010 through June 30, 2011, have been broken down by type of expenditure and provided in the following table:

	Recoverable Expenditures (System Retail)					
Program / Measure	O&M ¹	Depreciation	Capital Costs	Income and General Taxes	PPI and Net Lost Revenue	Total Costs and Incentives
Demand-Side Management Programs						
CIG DR	\$ 2,697,634	-	-	-	\$ 113,227	\$ 2,810,861
EnergyWise™	10,079,599	-	-	-	691,469	10,771,068
DSDR Implementation ²	4,740,864	4,128,402	8,081,389	4,137,393	-	21,088,049
Energy Efficiency Programs						
Res Home Advantage	1,231,710	-	-	-	167,134	1,398,845
Res Home Energy Improve.	5,137,700	-	-	-	849,626	5,987,326
Residential Low Income-NES ³	2,008,986	-	-	-	294,778	2,303,764
Residential Lighting ⁴	6,006,728	-	-	-	4,146,954	10,153,682
Res Appliance Recycling	1,764,976	-	-	-	258,833	2,023,809
Solar Hot Water Heating Pilot ⁵	267,081	-	-	-	-	267,081
CIG Energy Efficiency	9,040,502	-	-	-	3,061,317	12,101,818
CFL Pilot	-	-	-	-	243,598	243,598
Program Subtotals	\$ 42,975,780	\$ 4,128,402	\$ 8,081,389	\$ 4,137,393	\$ 9,826,935	69,149,900
Administrative and General						4,397,885
Return on Balances ⁶						5,157,715
Expenditure Totals						\$78,705,500

¹ The listed O&M expenses will be recovered through the DSM/EE Rider over a ten-year period except where otherwise indicated.

² The DSDR does not include Program Performance Incentives (PPI). While amounts for net lost revenues are applicable, PPI amounts are not.

³ The Residential Low Income Program does not include amounts for PPI. While amounts for net lost revenues are applicable, PPI amounts are not being requested by the Company.

⁴ O&M expenses for the Residential Lighting Program will be recovered through the DSM/EE Rider over a five-year period

⁵ PPI and net lost revenue recoveries were not requested by the Company for its Residential Solar Hot Water Heating Pilot Program.

⁶ The Return on Balances amount, on a system basis, reflects the sum of the South Carolina specific return calculated on the South Carolina deferral balance and the North Carolina specific return on the North Carolina deferral balance.

Provision (h)(1)(ii)a - Continued

The following table provides the program costs, excluding Program Performance Incentives and the recovery of net lost revenues, per appropriate capacity, energy and measure unit metric, over the various program lives. It is important to note that unitized costs will vary from year to year and should be viewed over program lives. Program cost estimates over the life of the program were supplied with the Company's original program applications.

Program / Measure	System Costs	DSM Costs / (MW x Years) ¹	EE Costs / (MWH x Years) ²
Demand-Side Management Programs			
CIG DR	\$ 2,697,634	\$ 4,623	NA
EnergyWise™	10,079,599	805	NA
DSDR Implementation	21,088,049	19,101	NA
Energy Efficiency Programs			
Res Home Advantage	1,231,710	NA	33
Res Home Energy Improvement	5,137,700	NA	55
Residential Low Income-NES	2,008,986	NA	47
Residential Lighting	6,006,728	NA	13
Res Appliance Recycling	1,764,976	NA	29
Solar Hot Water Heating Pilot ³	267,081	NA	NA
CIG Energy Efficiency	9,040,502	NA	28
CFL Pilot	NA	NA	NA

¹ DSM programs statistics, by their nature, do not reflect energy related savings.

² EE program statistics, by their nature, do not reflect capacity related savings.

³ Solar Water Heating Program statistics will be determined through 2011 M&V evaluation.

Provision (h)(1)(ii)a - Continued

For purposes of cost recovery through the South Carolina DSM/EE rider, the Company's expected expenses for the rate period, July 1, 2010 through June 30, 2011, have been broken down for South Carolina jurisdictional retail customers by type of expenditure and provided in the following table:

	Recoverable Expenditures (South Carolina Retail)					
Program / Measure	O&M ¹	Depreciation	Capital Costs	Income and General Taxes	PPI and Net Lost Revenue	Total Costs and Incentives
Demand-Side Management Programs						
CIG DR	\$ 380,636	-	-	-	\$ 15,671	\$ 396,307
EnergyWise™	1,422,231	-	-	-	95,699	1,517,930
DSDR Implementation ²	668,936	582,518	1,140,284	666,077	-	3,057,815
Energy Efficiency Programs						
Res Home Advantage	179,707	-	-	-	23,583	203,290
Res Home Energy Improve.	749,590	-	-	-	119,882	869,472
Residential Low Income-NES ³	293,111	-	-	-	41,593	334,704
Residential Lighting ⁴	876,382	-	-	-	585,135	1,461,517
Res Appliance Recycling	257,510	-	-	-	36,521	294,031
Solar Hot Water Heating Pilot ⁵	38,967	-	-	-	-	38,967
CIG Energy Efficiency	1,319,009	-	-	-	431,952	1,750,961
CFL Pilot	-	-	-	-	34,372	34,372
Program Subtotals	\$ 6,186,079	\$ 582,518	\$ 1,140,284	\$ 666,077	\$ 1,384,408	9,959,366
Administrative and General						534,496
Return on Balances						722,077
Expenditure Totals						\$ 11,215,939

The Company's proposed jurisdictional allocation factors for the rate period, July 1, 2010 through June 30, 2011, are provided in attached Appendix B.

¹ The listed O&M expenses will be recovered through the DSM/EE Rider over a ten-year period except where otherwise indicated.

² The DSDR does not include Program Performance Incentives (PPI). While amounts for net lost revenues are applicable, PPI amounts are not.

³ The Residential Low Income Program does not include amounts for PPI. While amounts for net lost revenues are applicable, PPI amounts are not being requested by the Company.

⁴ O&M expenses for the Residential Lighting Program will be recovered through the DSM/EE Rider over a five-year period

⁵ PPI and net lost revenue recoveries were not requested by the Company for its Residential Solar Hot Water Heating Pilot Program.

Provision (h)(1)(ii)b - Expected cost associated with measures

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - b. total costs that PEC expects to incur during the rate period as a direct result of the measure in the aggregate and broken down by type of cost, per appropriate capacity, energy and measure unit metric, and the proposed jurisdictional allocation factors as well as any changes in the estimated future amounts since last filed with the Commission;

The total costs that PEC expects to incur during the rate period as a direct result of the measure in the aggregate and broken down by type of cost, per appropriate capacity, energy and measure unit metric, are provided in Provision (h)(1)(ii)a. The Company's proposed jurisdictional allocation factors for the rate period, July 1, 2010 through June 30, 2011, are provided in attached Appendix B. In terms of variations in estimated future amounts, PEC is currently unaware of any material differences associated with its offerings.

Provision (h)(1)(ii)c - Measurement and verification activities for rate period

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - c. a description of the measurement and verification activities to be conducted during the rate period, including their estimated costs;
-

Demand Side Management Portfolio

DSDR

Measurement and verification for the Smart Grid – DSDR Program will be determined by utilizing recorded data obtained from the System Energy Control Center and the Distribution Control Center. This data analysis will not be performed by a third party; therefore there will be no third-party incremental costs expended to perform anticipated measurement and verification activities during the forecast period.

EnergyWise™

PEC has contracted with independent, third-party consultant, KEMA, who specializes in the measurement and verification of demand response program impacts to provide the appropriate M&V support, including the development and implementation of an evaluation plan designed to measure the demand and energy impacts of the EnergyWise™ program.

KEMA is performing a complete program evaluation for Progress Energy Carolinas' EnergyWise™ program, including all relevant impact and process evaluation services required to support program planning and implementation, system resource planning and forecasting, and regulatory filings.

Base services to be performed through June 2011 include:

- **Process evaluation surveys and interviews**
- **End-use interval amperage metering**
- **Communications equipment inspections**
- **Confirmation of signal receipt**
- **Estimation of a normal-use load model**
- **Estimation of over-ride rates**
- **Estimation of control success rate**
- **Actual and projected program impacts**

The total budget for Program Year 2 EnergyWise™ M&V activities is \$181,938.

Provision (h)(1)(ii)c - Continued

CIG Demand Response Program

PEC recently completed the Request for Proposal process and has awarded the contract to perform measurement and verification activities of the CIG DR program to independent, third-party consultant Navigant Consulting. Navigant Consulting will provide the appropriate M&V support, including the development and implementation of an evaluation plan designed to measure the demand and energy impacts of the CIG DR program. PEC and Navigant are currently in the process of executing a contract which, upon completion, will allow Navigant to begin its evaluation of the CIG DR program. PEC estimates that expenditures totaling \$150 thousand will be associated with M&V activities during the rate period.

Energy Efficiency Portfolio

Neighborhood Energy Saver Program, Residential Lighting Program, and Appliance Recycling Program

PEC has awarded the contract to perform measurement and verification activities of the Neighborhood Energy Saver Program, Residential Lighting Program, and Appliance Recycling Program to independent, third-party consultant Navigant Consulting. Navigant Consulting will provide the appropriate M&V support, including the development and implementation of an evaluation plan designed to measure the demand and energy impacts of each program. PEC and Navigant are currently in the process of executing a contract which, upon completion, will allow Navigant to begin its evaluation of the Neighborhood Energy Saver Program, Residential Lighting Program, and Appliance Recycling Program. PEC estimates that approximately five percent of program costs will be expended on M&V activities during the rate period.

Home Advantage Program, Home Energy Improvement Program, and Energy Efficiency for Business Program

PEC has contracted with independent, third-party consultant, Navigant Consulting, who specializes in the measurement and verification of energy efficiency program impacts to provide the appropriate M&V support, including the development and implementation of an evaluation plan designed to measure the demand and energy impacts of the Home Advantage Program, Home Energy Improvement Program, and Energy Efficiency for Business program.

Navigant is performing a complete program evaluation for Progress Energy Carolinas' Home Advantage Program, Home Energy Improvement Program, and Energy Efficiency for Business program. This includes all relevant impact and process evaluation services required to support program planning and implementation and regulatory filings.

Provision (h)(1)(ii)c - *Continued*

Specific tasks to be performed through June 2011 for all programs are listed below.

- **Interviews**
- **Sampling**
- **Additional Data Collection**
- **Impact Evaluation**
- **Process Evaluation**
- **Reporting**

Total year 1 costs for M&V activities associated with these programs are expected to be \$294,688.

Total year 2 M&V costs for these programs are expected to be \$627,000.

Provision (h)(1)(ii)d - Expected summer and winter peak demand reductions

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - d. total expected summer and winter peak demand reduction per appropriate capacity, energy, and measure unit metric and in the aggregate;

The following tables provide estimated summer and winter peak demand reductions, at the meter, for the measures in which the Company is seeking cost recovery¹. The reductions are provided by measure and in aggregate.

Expected Summer Peak Demand Reduction (MW)

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2010	9.1	50.0	99.3	0.7	7.6	0.7	5.4	0.4	10.5	0.6	184.3
2011	29.6	87.5	131.0	1.5	11.2	1.4	11.4	1.2	20.4	0.6	295.8
2012	45.1	125.0	241.0	2.7	14.9	2.0	11.4	2.2	34.2	0.6	479.1
2013	50.1	155.4	249.2	4.6	19.1	2.7	11.4	3.4	51.5	0.6	548.0

Expected Winter Peak Demand Reduction (MW)²

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2010	-	2.8	-	-	-	-	-	-	-	0.7	3.5
2011	-	8.8	-	-	-	-	-	-	-	0.7	9.5
2012	-	17.9	-	-	-	-	-	-	-	0.7	18.6
2013	-	21.6	-	-	-	-	-	-	-	0.7	22.3

¹ Values associated with PEC's Residential Solar Hot Water Heating Program will be supplied upon completion of measurement and verification process.

² With the exception of PEC's EnergyWise™ program, PEC's DSM/EE measures are focused on its summer peak. The winter peak reductions associated with PEC's measures, including those from the EnergyWise™ program, will be determined through the measurement and verification (M&V) process. The Company's CFL Pilot benefits are based on M&V results.

Provision (h)(1)(ii)e - Expected energy reductions

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - e. total expected energy reduction in the aggregate and per appropriate capacity, energy and measure unit metric

The following table provides estimated energy reductions, at the meter, for the measures in which the Company is seeking cost recovery¹. The reductions are provided both by measure and in aggregate.

Expected Energy Reductions (MWH)

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2010	99	79	21,245	2,072	10,107	4,700	57,283	3,459	42,269	6,706	148,019
2011	562	249	29,568	4,615	15,087	8,876	125,046	10,491	82,406	6,706	283,606
2012	1,320	506	54,327	8,744	20,247	13,052	125,046	19,085	138,050	6,706	387,083
2013	2,204	850	55,689	14,915	25,647	17,228	125,046	29,311	207,919	6,706	485,515

¹ Values associated with PEC's Residential Solar Hot Water Heating Program will be supplied upon completion of measurement and verification process.

Provision (h)(1)(ii)f - Actual test period costs

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - f. total expenses for the test period in the aggregate and broken down by type of expenditure per appropriate capacity, energy and measure unit metric and the proposed jurisdictional allocation factors

For purposes of cost recovery through the DSM/EE rider, the Company's actual expenditures for the test period, April 1, 2009 through March 31, 2010, have been broken down by type of expenditure and are provided in the following table:

	Recoverable Expenditures (System Retail)					
Program / Measure	O&M ¹	Depreciation	Capital Costs	Income and General Taxes	PPI and Net Lost Revenue	Total Costs and Incentives
Demand-Side Management Programs						
CIG DR	\$ 384,420	-	-	-	-	\$ 384,420
EnergyWise™	7,197,397	-	-	-	156,878	7,354,275
DSDR Implementation ²	4,495,370	984,436	2,078,913	616,488	-	8,175,207
Energy Efficiency Programs						
Res Home Advantage	731,877	-	-	-	35,471	767,348
Res Home Energy Improve.	4,214,326	-	-	-	233,473	4,447,800
Residential Low Income-NES ³	780,050	-	-	-	22,047	802,096
Residential Lighting ⁴	1,164,371	-	-	-	84,736	1,249,107
Res Appliance Recycling	88,370	-	-	-	-	88,370
Solar Hot Water Heating Pilot ⁵	144,801	-	-	-	-	144,801
CIG Energy Efficiency	4,413,442	-	-	-	726,660	5,140,102
CFL Pilot	-	-	-	-	461,091	461,091
Program Subtotals	\$ 23,614,424	\$ 984,436	\$ 2,078,913	\$ 616,488	\$ 1,720,356	29,014,617
Administrative and General						3,129,802
Return on Balances ⁶						1,664,991
Expenditure Totals						\$ 33,809,409

¹ The listed O&M expenses will be recovered through the DSM/EE Rider over a ten-year period except where otherwise indicated.

² The DSDR program does not include Program Performance Incentives (PPI). While amounts for net lost revenues are applicable, PPI amounts are not.

³ The Residential Low Income Program does not include amounts for PPI. While amounts for net lost revenues are applicable, PPI amounts are not being requested by the Company.

⁴ O&M expenses for the Residential Lighting Program will be recovered through the DSM/EE Rider over a five-year period

⁵ PPI and net lost revenue recoveries were not requested by the Company for its Residential Solar Hot Water Heating Pilot Program.

⁶ The Return on Balances amount, on a system basis, reflects the sum of the South Carolina specific return calculated on the South Carolina deferral balance and the North Carolina specific return on the North Carolina deferral balance.

Provision (h)(1)(ii)f – Continued

For purposes of cost recovery through the South Carolina DSM/EE rider, the Company's actual expenses for the test period, April 1, 2009 through March 31, 2010, have been broken down for South Carolina jurisdictional retail customers by type of expenditure and are provided in the following table:

	Recoverable Expenditures (South Carolina Retail)					
Program / Measure	O&M ¹	Depreciation	Capital Costs	Income and General Taxes	PPI and Net Lost Revenue	Total Costs and Incentives
Demand-Side Management Programs						
CIG DR	\$ 53,123	-	-	-	-	\$ 53,123
EnergyWise™	990,963	-	-	-	21,414	1,012,377
DSDR Implementation ²	621,618	135,063	405,924	140,964	-	1,303,569
Energy Efficiency Programs						
Res Home Advantage	109,458	-	-	-	5,328	114,786
Res Home Energy Improve.	629,369	-	-	-	35,068	664,437
Residential Low Income-NES ³	113,139	-	-	-	3,311	116,450
Residential Lighting ⁴	177,403	-	-	-	12,727	190,130
Res Appliance Recycling	13,203	-	-	-	-	13,203
Solar Hot Water Heating Pilot ⁵	21,640	-	-	-	-	21,640
CIG Energy Efficiency	659,442	-	-	-	109,144	768,586
CFL Pilot	-	-	-	-	69,256	69,256
Program Subtotals	\$ 3,389,358	\$ 135,063	\$ 405,924	\$ 140,964	\$ 256,248	4,327,557
Administrative and General						448,303
Return on Balances						400,509
Expenditure Totals						\$ 5,176,369

¹ The listed O&M expenses will be recovered through the DSM/EE Rider over a ten-year period except where otherwise indicated.

² The DSDR program does not include Program Performance Incentives (PPI). While amounts for net lost revenues are applicable, PPI amounts are not.

³ The Residential Low Income Program does not include amounts for PPI. While amounts for net lost revenues are applicable, PPI amounts are not being requested by the Company.

⁴ O&M expenses for the Residential Lighting Program will be recovered through the DSM/EE Rider over a five-year period

⁵ PPI and net lost revenues recoveries were not requested by the Company for its Residential Solar Hot Water Heating Pilot Program.

Provision (h)(1)(ii)f – Continued

The following table provides the program costs, excluding Program Performance Incentives and the recovery of net lost revenues, per appropriate capacity, energy and measure unit metric, over the various program lives. It is important to note that unitized costs will vary from year to year and should be viewed over program lives. Program cost estimates over the life of the program were supplied with the Company's original program applications.

Program / Measure	System Costs	DSM Costs / (MW x Years) ¹	EE Costs / (MWH x Years) ²
Demand-Side Management Programs			
CIG DR	\$ 384,420	\$ 62,424	NA
EnergyWise™	7,197,397	63,647	NA
DSDR Implementation	8,450,011	157,332	NA
Energy Efficiency Programs			
Res Home Advantage	731,877	NA	48
Res Home Energy Improvement	4,214,326	NA	31
Residential Low Income-NES	780,050	NA	52
Residential Lighting ³	1,164,371	NA	15
Res Appliance Recycling ³	88,370	NA	NA
Solar Hot Water Heating Pilot ⁴	144,801	NA	NA
CIG Energy Efficiency	4,413,442	NA	21
CFL Pilot ⁵	NA	NA	NA

The Company's proposed jurisdictional allocation factors for the test period, April 1, 2009 through March 31, 2010, are provided in attached Appendix B.

¹ DSM programs statistics, by their nature, do not reflect energy related savings.

² EE program statistics, by their nature, do not reflect capacity related savings

³ Residential Lighting and Residential Recycling Programs were not implemented during the test period.

⁴ Solar Water Heating Program statistics will be determined through 2011 M&V evaluation.

⁵ CFL Pilot Program was not active during the test period.

Provision (h)(1)(ii)g – Test period Costs associated with measures

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - g. total costs that PEC incurred for the test period as a direct result of the measure in the aggregate and broken down by type of cost per appropriate capacity, energy and measure unit metric, and the proposed jurisdictional allocation factors, as well as any changes in the estimated future amounts since last filed with the Commission;
-

The total costs that PEC incurred for the test period as a direct result of the measure in the aggregate and broken down by type of cost per appropriate capacity, energy and measure unit metric are provided in the table on the preceding page. A further breakdown of unit metrics associated with test period activity is provided on attached Appendix C. PEC's proposed jurisdictional allocation factors have been provided on attached Appendix B. In terms of variations in estimated future amounts, PEC is currently unaware of any material differences associated with its offerings.

Provision (h)(1)(ii)h - Measurement and verification activities for test period

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - h. a description of, the results of, and the costs of all measurement and verification activities conducted in the test period;
-

Demand Side Management Portfolio

EnergyWise™

PEC has contracted with independent, third-party consultant, KEMA, who specializes in the measurement and verification of demand response program impacts to provide the appropriate M&V support, including the development and implementation of an evaluation plan designed to measure the demand and energy impacts of the EnergyWise™ program.

KEMA is performing a complete program evaluation for Progress Energy Carolinas' EnergyWise™ program, including all relevant impact and process evaluation services required to support program planning and implementation, system resource planning and forecasting, and regulatory filings.

Base M&V services performed through March 2010 include:

- **Process evaluation surveys and interviews**
- **End-use interval amperage metering**
- **Communications equipment inspections**
- **Confirmation of signal receipt**

Total cost of EnergyWise™ M&V activities through March 2010 is \$552,342

CIG Demand Response Program

PEC recently completed the Request for Proposal process and has awarded the contract to perform measurement and verification activities of the CIG DR program to independent, third-party consultant Navigant Consulting. Navigant Consulting will provide the appropriate M&V support, including the development and implementation of an evaluation plan designed to measure the demand and energy impacts of the CIG DR program. PEC and Navigant are currently in the process of executing a contract which, upon completion, will allow Navigant to begin its evaluation of the CIG DR program. PEC did not realize any M&V expenditures during the test period.

Provision (h)(1)(ii)h – Continued

Energy Efficiency Portfolio

Neighborhood Energy Saver Program, Residential Lighting Program, and Appliance Recycling Program

PEC has awarded the contract to perform measurement and verification activities of the Neighborhood Energy Saver Program, Residential Lighting Program, and Appliance Recycling Program to independent, third-party consultant Navigant Consulting. Navigant Consulting will provide the appropriate M&V support, including the development and implementation of an evaluation plan designed to measure the demand and energy impacts of each program. PEC and Navigant are currently in the process of executing a contract upon which, upon completion, will allow Navigant to begin its evaluation of the Neighborhood Energy Saver Program, Residential Lighting Program, and Appliance Recycling Program. PEC did not realize any M&V expenditures during the test period.

Home Advantage Program, Home Energy Improvement Program, and Energy Efficiency for Business Program

PEC has contracted with independent, third-party consultant, Navigant Consulting, who specializes in the measurement and verification of energy efficiency program impacts to provide the appropriate M&V support, including the development and implementation of an evaluation plan designed to measure the demand and energy impacts of the Home Advantage Program, Home Energy Improvement Program, and Energy Efficiency for Business program.

Navigant is performing a complete program evaluation for Progress Energy Carolinas' Home Advantage Program, Home Energy Improvement Program, and Energy Efficiency for Business program. This includes all relevant impact and process evaluation services required to support program planning and implementation and regulatory filings.

Specific tasks performed through March 2010 for all programs are listed below.

- **Program Review**
- **Interviews**
- **Sampling**
- **Additional Data Collection**

Total year 1 costs for M&V activities associated with these programs are expected to be \$294,688.

Provision (h)(1)(ii)i - Test period summer and winter peak demand reductions

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - i. total summer and winter peak demand reduction per appropriate capacity, energy, and measure unit metric and in the aggregate, as well as any changes in estimated future amounts;
-

The information associated with this section has been supplied as a part of Provision (h)(1)(ii)m.

Provision (h)(1)(ii)j - Test period energy reductions

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - j. total energy reduction in the aggregate and per appropriate capacity, energy and measure unit metric, as well as any changes in the estimated future amounts since last filed with the Commission;
-

The information associated with this section has been supplied as a part of Provision (h)(1)(ii)m and within attached Appendix C.

Provision (h)(1)(ii)k - Test period findings and results of measures

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - k. a discussion of the findings and the results of the program or measure;
-

Neighborhood Energy Saver

The Neighborhood Energy Saver program was launched in October of 2009. The program's participation levels, for the first six months, have been above the Company's forecasted expectations. Neighborhoods are prioritized by having 50% of the homeowners meeting 150% of poverty level. When the neighborhoods were identified, our initial expectation was based on 50% customer participation. Currently the participation rate has been closer to 75%, so we are pleased with the acceptance of the program in the community. We are starting to build community relationships, which will be helpful as we return to those communities in subsequent years. Support of the community and local governments has been excellent and can be linked to the increased levels of participation.

Home Advantage Program

The Home Advantage Program was launched in December of 2008. The program's participation level for 2009 has been below the Company's forecasted expectations. The major challenge impacting participation levels can be attributed to the current state of the economy. The number of new homes being built is down by almost 40% when compared to 2007. In addition, several of the established Energy Star builders are installing 13 SEER HVAC equipment instead of the costlier 14 SEER HVAC units that are a requirement of the Home Advantage Program. As the company continues this program, emphasis on builder awareness and increased collaboration with HVAC distributions has been put into place. One positive opportunity within the building industry slowdown has been better availability of time and the willingness of builders to become more educated about the Energy Star process. Coupled with increased public awareness, as the economy improves, participation in the program is expected to increase.

Residential Lighting Program

The Residential Lighting Program launched in January of 2010. The program's participation level is slightly above forecast for the first 4 months of the program. There has been a significant customer acceptance of this program. A challenge has been the coordination of bulb deliveries to the retailers for them to implement the promotion. Promotional events at the retail locations as well as educational events in the community have been very successful. Additional retailers are expected to come on board in the coming months, adding to the success of the program.

Provision (h)(1)(ii)k – *Continued*

Solar Water Heating Pilot Program

The Solar Water Heating Pilot Program launched in June 2009. The purpose of the program is to determine and validate achievable energy savings with residential solar heating technology. A challenge has been that participation in the program has been lower than expected. Over the next several months, monitoring equipment will be installed to measure and verify summer energy savings, followed by winter data collection. A final report is expected to be released in the Spring of 2011.

Home Energy Improvement Program

The Home Energy Improvement Program was launched in July of 2009. Participation levels for the first nine months of the program have been higher than originally forecasted. Overall program success can be attributed to higher customer interest in energy efficiency, being able to capitalize on the federal tax credits in conjunction with PEC's rebates, and high contractor acceptance and promotion of this program in the marketplace. A challenge of the program is the competition for disposable income in the current economy, making it harder to justify the upfront costs of energy efficiency improvements.

Energy Efficiency for Business (EEB) Program

The Energy Efficiency for Business (EEB) program was launched in May 2009 to promote energy efficient construction and retrofit in Progress Energy's commercial, industrial, and governmental markets. In its first full year of operation, the program has exceeded expectations. At program inception, the ability of industrial and large commercial customer to opt-out was predicted to substantially limit participation among PEC's largest energy users. Yet EEB has experienced greater than expected program participation from certain large customer sectors—especially industrials and large commercial retailers. K-12 schools, local government, and community colleges have combined EEB program incentives with federal government ARRA funding to avail themselves of program benefits. While the economy has served as a participation barrier to some businesses, it has been a call to action for others. Overall, lighting has exceeded expectations as the program's dominant contributor, while HVAC and motor measures have lagged. EEB's technical assistance incentives have served as an enabler for customers looking to qualify and scope energy efficiency project opportunities. Approximately two-thirds of Progress Energy customers who have accepted EEB technical assistance dollars have subsequently implemented energy efficiency projects.

Provision (h)(1)(ii)k – Continued

Residential Load Control Program (EnergyWise™)

The summer program (air conditioning load control), which is available to eligible customers system-wide, was launched in April of 2009. The program's participation level for the test period has been at or slightly above the Company's expectations. Response rate to the direct mail campaign has averaged 3.1% for the test period. The primary form of enrollment has been through business reply cards, which has constituted 73% of all enrollments. The remainder of enrollments has been through inbound telephone calls at 15% and online web enrollments at 12%. Paging infrastructure has been expanded to cover approximately 95% of customers eligible to participate in the program.

The winter program (load control of water heating and auxiliary heat strips on central electric heat pumps) was launched in May of 2009. This program is available to our Western region customers only. The program's participation levels for the test period have been below the Company's expectations. Response rate to the direct mail campaign has been good (above 3%), but acquiring these loads has been a challenge since the load control switch installation requires a customer appointment to enter the home. Of all customers enrolling via the direct mail business reply card (BRC), approximately 50% did not respond to outbound telephone calls to schedule an appointment. In response to this trend, PEC removed the business reply card from the direct mail letter and only included the program's toll-free phone number. This has increased the acquisition rate and eliminated almost all BRC enrollments that were previously cancelled to due to lack of appointment scheduling. Enrollment to acquisition rate has also been diluted by a higher than expected percentage of customer equipment in poor condition and/or in need of repair and customers who are unaware of their energy source for water and space heating.

DSDR

During the twelve month period ending March 31, 2010, DSDR was not activated. The full potential of DSDR activations will be realized when its DMS capabilities are up and running later next year. The expected peak demand reductions and MWh savings for DSDE have changed somewhat due to revisions in the implementation schedule for feeder conditioning, delays in the implementation schedule for DMS, as well as changes in the expected line loss savings resulting from changes in the feeder conditioning design requirements.

Provision (h)(1)(ii)k – *Continued*

CIG DR (Demand Response Automation)

The Demand Response Automation program was launched in October of 2009. Customer participation has been below the Company's expectations. Four customers enrolled in the program during the test period accounting for 1.6 MW of contracted curtailable demand. All customer interest in the program thus far has been from opt-out eligible customers. Accordingly, the opt-out clause and DSM/EE rider requirement has proven to be a significant market barrier to customer participation. Though the program does not require standby generation, PEC has yet to see any customer willing to participate in the program and curtail without it. All customers enrolled in the program, and almost all customer interest, has come from those that can backup their contracted curtailable demand with standby generation.

Provision (h)(1)(ii)l - Evaluation of event based measure during test period

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - I. evaluations of event-based programs including the date, weather conditions, event trigger, number of customers notified and number of customers enrolled; and
-

DSDR

During the twelve month period ending March 31, 2010, DSDR was not activated except for testing. The full potential of DSDR activations will be realized when its DMS capabilities are up and running later next year.

Residential Load Control Program (EnergyWise™)

During the twelve month period ending March 31, 2010, the program was activated on small sample populations in the summer of 2009 and during the winter of 2009-2010 for testing and measurement and verification purposes. The impact evaluations from this testing has not been completed at this time.

CIG DR (Demand Response Automation)

The program was not activated during the twelve month period ending March 31, 2010. Program activation will begin in the summer of 2010.

Provision (h)(1)(ii)m – Comparison of impact estimates

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - m. a comparison of impact estimates presented in the measure application from the previous year, those used in reporting for previous measure years, and an explanation of significant differences in the impacts reported and those previously found or used;

The Company's current impact estimate of capacity savings, estimated savings used in its previous report, and their differences, expressed in megawatts at the meter, are provided in the following tables. Explanations of variances are provided in Provision(h)(1)(ii)k:

Forecasted Summer Capacity Values from Docket No. 2009-191-E

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2009	1.4	11.9	48.6	0.7	1.0	0.4	-	-	1.9	0.6	66.5
2010	9.5	40.6	96.5	2.5	4.9	1.3	-	-	7.9	0.6	163.8
2011	28.5	69.5	156.1	3.1	8.1	1.5	-	-	17.1	0.6	284.5
2012	42.8	98.4	234.9	5.1	12.3	2.0	-	-	30.0	0.6	426.1

Actual and Anticipated Summer Capacity Values¹

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2009	0.8	13.2	50.3	0.2	3.1	0.1	-	-	3.4	0.6	71.7
2010	9.1	50.0	99.3	0.7	7.6	0.7	5.4	0.4	10.5	0.6	184.3
2011	29.6	87.5	131.0	1.5	11.2	1.4	11.4	1.2	20.4	0.6	295.8
2012	45.1	125.0	241.0	2.7	14.9	2.0	11.4	2.2	34.2	0.6	479.1

Differences Between Previous and Updated Summer Capacity Values

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2009	(0.6)	1.3	1.7	(0.5)	2.1	(0.3)	-	-	1.5	-	5.2
2010	(0.4)	9.4	2.8	(1.8)	2.7	(0.6)	5.4	0.4	2.6	-	20.5
2011	1.1	18.0	(25.1)	(1.6)	3.1	(0.1)	11.4	1.2	3.3	-	11.3
2012	2.3	26.6	6.1	(2.4)	2.6	-	11.4	2.2	4.2	-	53.0

Forecasted Winter Capacity Values from Docket No. 2009-191-E

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2009	-	1.4	-	-	-	-	-	-	-	0.7	2.1
2010	-	4.9	-	-	-	-	-	-	-	0.7	5.6
2011	-	8.6	-	-	-	-	-	-	-	0.7	9.3
2012	-	12.1	-	-	-	-	-	-	-	0.7	12.8

¹ Values associated with PEC's Residential Solar Hot Water Heating Program will be supplied upon completion of measurement and verification process.

Provision (h)(1)(ii)m - Continued

Actual and Anticipated Winter Capacity Values¹

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2009	-	2.8	-	-	-	-	-	-	-	0.7	3.5
2010	-	8.8	-	-	-	-	-	-	-	0.7	9.5
2011	-	17.9	-	-	-	-	-	-	-	0.7	18.6
2012	-	21.6	-	-	-	-	-	-	-	0.7	22.3

Differences Between Previous and Updated Winter Capacity Values

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2009	-	1.4	-	-	-	-	-	-	-	-	1.4
2010	-	3.9	-	-	-	-	-	-	-	-	3.9
2011	-	9.3	-	-	-	-	-	-	-	-	9.3
2012	-	9.5	-	-	-	-	-	-	-	-	9.5

The Company's current impact estimate of energy savings, estimated savings used in its previous report, expressed in megawatt hours at the meter, and their differences are provided in the following tables.

Forecasted Energy Values from Docket No. 2009-191-E

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2009	3	12	21,120	2,295	1,067	2,338	-	-	7,894	6,706	41,435
2010	146	93	37,043	7,984	6,177	8,712	-	-	32,347	6,706	99,208
2011	594	255	54,571	10,277	10,127	10,270	-	-	70,512	6,706	163,312
2012	1,315	500	72,690	16,701	15,318	14,167	-	-	123,424	6,706	250,821

Actual and Anticipated Energy Values

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2009	-	-	11,173	658	4,012	578	-	-	13,562	6,706	36,689
2010	99	79	21,245	2,072	10,107	4,700	57,283	3,459	42,269	6,706	148,019
2011	562	249	29,568	4,615	15,087	8,876	125,046	10,491	82,406	6,706	283,606
2012	1,320	506	54,327	8,744	20,247	13,052	125,046	19,085	138,050	6,706	387,083

¹ Values associated with PEC's Residential Solar Hot Water Heating Program will be supplied upon completion of measurement and verification process.

Provision (h)(1)(ii)m - Continued

Differences Between Previous and Energy Values

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Res Appl. Recycling	CIG Energy Efficiency	CFL Pilot	Total
2009	(3)	(12)	(9,947)	(1,637)	2,945	(1,760)	-	-	5,668	-	(4,746)
2010	(47)	(14)	(15,798)	(5,912)	3,930	(4,012)	57,283	3,459	9,922	-	48,811
2011	(32)	(6)	(25,003)	(5,662)	4,960	(1,394)	125,046	10,491	11,894	-	120,294
2012	5	6	(18,363)	(7,957)	4,929	(1,115)	125,046	19,085	14,626	-	136,262

Provision (h)(1)(ii)n – Determination of utility incentives

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - n. a detailed explanation of the calculation of the PPI, the actual calculation of the proposed PPI, and the proposed method of providing for their recovery and true-up through the annual rider;

The Company is requesting recovery of (1) net lost revenues, and (2) program performance incentives to create future benefits based on achieved savings for Demand-Side Management (DSM) and Energy Efficiency (EE) programs. The cost recovery mechanisms are based upon the Settlement Agreement as approved by the Commission in Docket No. 2008-251-E, and are summarized below. The specific calculations associated with these amounts are included as a part of the Company's supporting workpapers.

A. Net Lost Revenues

Net lost revenues are determined by multiplying lost sales by a net lost revenue rate.

$$\text{Net Lost Revenues} = \text{Lost Sales} \times \text{Net Lost Revenue Rate}$$

Lost Sales are those sales that do not occur by virtue of employing the DSM/EE measures. These values are initially based on estimates and subsequently confirmed through the measurement and verification (M&V) process.

Net Lost Revenue Rate is difference between the average retail rate applicable to the customer class impacted by the measure and (1) the related customer charge component of that rate, (2) the fuel component of the rate, and (3) the incremental variable O&M rate. When multiple customer classes are impacted by the DSM/EE measures, a weighted or system wide net lost revenue rate is employed. The recovery of net lost revenues applicable to a given vintage year shall be recovered through the DSM/EE rider only for the first 36 months after the installation of the measurement unit. Thereafter, recovery of Net Lost Revenues shall end.

B. Incentive to Create Future Benefits

DSM and EE Program Performance Incentives (PPI)

For DSM programs, the PPI to be recovered for a given measurement unit and vintage year shall be equal to 8% of the net present value of the DSM program savings based upon the Utility Cost Test ("UCT"). For EE programs, the PPI to be recovered for a given measurement unit and vintage year shall be equal to 13% of the net present value of the EE program savings based upon the UCT. The UCT is an industry standard test, which compares the costs incurred by a utility in offering a DSM/EE program to the benefits as measured by the costs avoided by the utility.

Provision (h)(1)(ii)n - Continued

The PPI is converted into a stream of ten (10) levelized annual payments, accounting for and incorporating PEC's overall weighted average net-of tax rate of return approved in PEC's most recent general rate case as the appropriate discount rate.

Pursuant to the Docket No. 2008-251-E based Settlement Agreement, the amount of the PPI ultimately to be recovered for a given program or measure and vintage year shall be trued-up so that the PPI is based on the actual net savings derived from all measurement units specific to the program or measure.

Estimates of lost sales quantities for the Company's system are provided in the following table. They have been segmented into the recovery periods.

Program / Measure	Quantification of Sales Losses (kWh) - System	
	Test Period (4/1/09 through 3/31/10)	Rate Period (7/1/10 through 6/30/11)
Demand-Side Management Programs		
CIG DR ¹	-	-
EnergyWise ¹	-	-
DSDR ¹	-	-
Energy Efficiency Programs		
Res Home Advantage	490,300	2,186,100
Res Home Energy Improve.	2,938,033	10,383,250
Residential Low Income-NES	377,767	4,862,950
Residential Lighting	1,451,948	60,406,287
Res Appliance Recycling	-	3,838,350
Solar Hot Water Heating Pilot ²	-	-
CIG Energy Efficiency	10,121,645	44,196,891
CFL Pilot ³	6,706,000	2,794,167
Total Reduction in Energy (kWh)	22,085,693	128,667,995

¹ Net lost revenues for event based measures are based on actual events as opposed to estimated occurrences.

² The recoupment of net lost revenues has not been requested for PEC's Solar Hot Water Pilot Program.

³ The three-year net lost revenue recovery period for the CFL Pilot period is to be exhausted within the rate period.

Provision (h)(1)p(ii)n - Continued

The following table provides calculated South Carolina jurisdictional utility incentives for the Company's test period (4/1/09 through 3/31/10).

Program / Measure	Utility Incentives (South Carolina Only) – Test Period (4/1/09 through 3/31/10)			
	Net Lost Revenue	DSM PPI	EE PPI	Total
Demand-Side Management Programs				
CIG DR	-	-	-	-
EnergyWise	-	21,414	-	21,414
DSDR Implementation	-	-	-	-
Energy Efficiency Programs				
Res Home Advantage	4,298	-	1,030	5,328
Res Home Energy Improve.	25,754	-	9,314	35,068
Residential Low Income-NES	3,311	-	-	3,311
Residential Lighting	12,727	-	-	12,727
Res Appliance Recycling	-	-	-	-
Solar Hot Water Heating Pilot	-	-	-	-
CIG Energy Efficiency	79,031	-	30,114	109,145
CFL Pilot	58,783	-	10,473	69,256
Total Utility Incentives Including Net Lost Revenue	183,904	21,414	50,930	256,248

The following table provides calculated South Carolina jurisdictional utility incentives for the Company's rate period (7/1/10 through 6/30/11).

Program / Measure	Utility Incentives (South Carolina Only) – Rate Period (7/1/10 through 6/30/11)			
	Net Lost Revenue	DSM PPI	EE PPI	Total
Demand-Side Management Programs				
CIG DR	-	15,671	-	15,671
EnergyWise	-	95,699	-	95,699
DSDR Implementation	-	-	-	-
Energy Efficiency Programs				
Res Home Advantage	18,698	-	4,885	23,583
Res Home Energy Improve.	88,809	-	31,074	119,883
Residential Low Income-NES	41,593	-	-	41,593
Residential Lighting	516,659	-	68,476	585,135
Res Appliance Recycling	32,830	-	3,692	36,522
Solar Hot Water Heating Pilot	-	-	-	15,665
CIG Energy Efficiency	336,686	-	95,266	431,952
CFL Pilot	23,899	-	10,473	129,887
Total Utility Incentives Including Net Lost Revenue	1,059,172	111,370	213,866	1,384,410

The Company's proposed jurisdictional allocation factors for the test period, April 1, 2009 through March 31, 2010, and the rate period, July 1, 2010 through June 30, 2011 are provided in attached Appendix B.

Provision (h)(1)(ii)o – Actual revenue from DSM/EE rider

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - o. Actual revenues produced by the DSM/EE rider during the test period and for all available months immediately preceding the rate period.

The following table provides DSM/EE revenues billed from July 1, 2009 through March 31, 2010.

DSM/EE Rate Classification	Amount
Residential DSM/EE Recoveries	\$ 1,412,748.14
General Service	\$ 1,554,459.46
Less: Opt-Out Credits	759,274.96
General Service DSM/EE Recoveries	\$ 795,184.50
Lighting	\$ 0.00
Less: Opt-Out Credits	0.00
Lighting DSM/EE Recoveries	\$ 0.00
Total DSM/EE Recoveries	\$ 2,207,932.64

Provision (h)(1)(ii)p – Proposed DSM/EE rider

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - p. The requested DSM/EE rider and the basis for the rider;

Detailed information regarding the determination of the DSM/EE and DSM/EE EMF factors has been provided as a part of the attached testimony of Robert P. Evans. The following table provides a summary of the Company's requested DSM/EE rates exclusive of gross receipts taxes (GRT) and South Carolina Regulatory Fees.

Rate Class	DSM /EE Rate
Residential	0.187¢/kWh
General Service	0.103¢/kWh
Lighting	0.000¢/kWh

The following table provides a summary of the Company's requested DSM/EE rates including both GRT and South Carolina Regulatory Fees.

Rate Class	DSM /EE Rate
Residential	0.188¢/kWh
General Service	0.103¢/kWh
Lighting	0.000¢/kWh

Provision (h)(1)(ii)q – Projected SC retail sales for customers opting out of measures

(h) Filing Requirements and Procedure.

- (1) PEC shall submit to ORS and the Commission all of the following information in its application:
 - (ii) For each DSM/EE program for which cost recovery is requested:
 - q. Projected South Carolina retail monthly kWh sales for the rate period for all industrial and large commercial accounts, in the aggregate, that are not assessed the rider charges.

Based on the current proportion of General Service sales associated customers who have “opted-out” of participation in PEC’s DSM/EE programs, PEC estimates that 2,290,855,124 kWh will not be subject to billing under its rider for the twelve month period ending June 30, 2011. A similar analysis estimated that there is another 3,148,029 kWh, associated with the lighting accounts of commercial and industrial customers who have elected to “opt-out”, that would not be subject to billing under its rider. The following table provides the Company’s estimate of South Carolina retail monthly kWh sales in the aggregate, that will not be assessed DSM/EE rider charges.

Estimated “Opt-Out” Sales from with Industrial, Large Commercial & Lighting Customers

Month	Estimated kWh
Jul-10	202,658,494
Aug-10	220,325,923
Sep-10	212,643,836
Oct-10	201,382,054
Nov-10	176,335,728
Dec-10	167,599,826
Jan-11	173,245,005
Feb-11	180,934,684
Mar-11	177,916,466
Apr-11	190,248,279
May-11	192,391,808
Jun-11	198,321,049
Total	2,294,003,153

Provision (h)(2) – Supporting workpapers

(h) Filing Requirements and Procedure.

(2) PEC will file the information described in this procedure, accompanied by workpapers and direct testimony and exhibits of expert witnesses.

Workpapers and supporting documents have been attached to this document along with the testimony and exhibits of Robert P. Evans providing details associated with the development of the Company's proposed DSM/EE rates.

Appendix A: Non-Participating Customers

Non-Participant	Non-Participating Accounts
A V M INDUSTRIES	8
ADP TAX CREDIT SRVC INC	1
AGRIUM US INC	4
AHLSTROM NONWOVENS INC	3
ANVIL KNITWEAR INC	2
ARVINMERITOR INC	1
BARRINGTON MYRTLE BEACH LLC	1
BECTON DICKINSON & CO	1
BEST BUY LP #826	1
BI-LO INC D/I/P	14
BLACKMON	1
BLUE CROSS/BLUE SHIELD OF SC	4
BURRIS REFRIGERATED SERV INC	1
BVP HOLDING LLC	1
CALHOUN FARMS	4
CAROLINA CANNERS INC	7
CAROLINA FURNITURE	3
CAROLINA PINES REGIONAL MED	8
CAROLINAS HOSPITAL SYSTEM	7
CHARLES CRAFT INC	3
CHARLES INGRAM LUMBER CO INC	18
CHAR-WALT INC	2
CHESTERFIELD COUNTY SCHOOLS	10
CITI TRENDS INC	1
CITY OF FLORENCE	6
COKER COLLEGE	25
CONBRACO INDUSTRIES INC	3
COOPER TOOLS, INC	1
CROWN CORK & SEAL CO	3
DARLINGTON CO SCHOOL DIST	2
DARLINGTON SHREDDING INC	1
DEROYAL INDUSTRIES INC	2
DILLON FURNITURE MFG	1
DILLON YARN CORPORATION	2
DOMTAR PAPER CO LLC	1
E I DUPONT DE NEMOURS & CO	1
EATON CORPORATION	1

Non-Participant	Non-Participating Accounts
ENERSYS DELAWARE INC	2
EVANS	4
EZ PRODUCTS LLC	1
FIRESTONE BUILDING PRODUCTS	3
FLO DARL TECHNICAL COLLEGE	7
FLOCO FOODS INC	8
FOOD LION INC	18
FRANCO MFG CO INC	2
FRASIER TIRE SERVICE	1
FREEMAN MILLWORK CO	2
G E MEDICAL SYSTEMS INC	2
GALEY & LORD LLC	3
GRANT CLARENDON INC	3
H B D INDUSTRIES INC	1
HARTSVILLE OIL MILL	3
HARVIN PACKING COMPANY INC	1
HENGST OF NORTH AMERICA INC	1
HIGHLAND INDUSTRIES INC	4
HODGES	1
HONORAGE NURSING HOME	1
INTERNATIONAL PAPER CO	1
INVISTA S A R L	7
IRIX PHARMACEUTICALS	2
ITW ANGLEBOARD	2
J & M DYERS INC	2
JOHNSONVILLE CITY OF	1
JONES FOODS INC	1
KAYDON CORPORATION	2
KOPPERS CO INC	3
KOPPERS INDUSTRIES INC	2
LA Z BOY FPC	1
LEWIS MOLA LLC	2
LOCKAMY SCRAP METAL INC	4
MANNING CITY OF	1
MARION COUNTY MEDICAL CENTER	2
MARLEY ELECTRIC HEAT CO	1
MARSH LUMBER COMPANY	1
MARTEK BIOSC KINGSTREE CORP	1
MCCALL FARMS INC	5
MCLEOD MEDICAL CENTER	5

Non-Participant	Non-Participating Accounts
METHODIST MANOR	8
MORRELL MEMORIAL CONVAL CENTER	1
NEIGHBORHOOD GROCER LLC	1
NHC HEALTHCARE-SUMTER	1
NORTHEASTERN TECHNICAL COLLEGE	3
NUCOR COLD FINISH	2
NUCOR CORPORATION	1
NUCOR STEEL	1
PACIFIC MDF PRODUCTS INC	1
PALMETTO BRICK CO	7
PALMETTO GROCER INC	1
PAPER STOCK DEALERS	1
PEACE TEXTILE AMERICA INC	1
PERDUE FARMS INC	3
PIGGLY WIGGLY	11
PILGRIMS PRIDE CORPORATION	3
POLYQUEST INC	2
POSTON PACKING CO	2
PROTECTIVE PACKAGING INC	1
REXAM BEVERAGE CAN COMPANY	1
RIVERSIDE ELEC MOTORS	1
ROCHE CAROLINA	1
S & W MANUFACTURING CO	1
SANTEE PRINT WORKS INC	4
SCHAEFFLER GROUP USA INC	7
SCHOOL DIST OF GEORGETOWN CO	4
SHAW AFB	1
SHAW CES CEOEE	1
SLI LIGHTING CORPORATION 01	5
SMITH	2
SONOCO PRODUCTS COMPANY	12
SOPAKCO PACKAGING INC	3
SOUTH ATLANTIC CANNERS INC	3
SOUTHERN GRAPHICS SYSTEMS INC	1
STANLEY TOOLS DIV OF	1
STEELFAB OF SC	1
SUMTER METAL PRODUCTS INC	1
T B FOODS INC	1
TALLEY METALS TECHNOLOGY INC	10
THE BROTHERS OF NORTH CAROLINA	1

Non-Participant	Non-Participating Accounts
TREBOL USA LLC	4
TUOMEY HEALTHCARE SYSTEM	2
TUPPERWARE CO INT	1
TYCO HEALTHCARE GROUP LP	1
UNIMIN CORPORATION	1
US AIR FORCE	4
VESUVIUS USA CORPORATION	2
VULCRAFT CORP	4
VULCRAFT DECK PLANT	1
VULCRAFT DIV NUCOR CORP	3
W LEE FLOWERS CO INC	1
WALLACES OLD FASH SKINS	1
WALMART STORES INC	11
WEYLICHEM US INC	2
YOUNG PECAN SHELLING CO	5
ZIMACS INCORPORATED	4

Appendix B: Allocation Factors

Allocation Factors Applicable to Test Period:

Program / Measure - (April 2009)	South Carolina
Demand-Side Management (DSM)	
CIG DR	13.3%
EnergyWise™	13.3%
DSDR Implementation	13.3%
Energy Efficiency Programs (EE)	
Res Home Advantage	15.2%
Res Home Energy Improve.	15.2%
Residential Low Income-NES	15.2%
Residential Lighting	15.2%
Res Appliance Recycling	15.2%
Solar Hot Water Heating Pilot	15.2%
CIG Energy Efficiency	15.2%
CFL Pilot	15.2%

Program / Measure - (May 2009 through April 2010)	South Carolina
Demand-Side Management (DSM)	
CIG DR	13.8%
EnergyWise™	13.8%
DSDR Implementation	13.8%
Energy Efficiency Programs (EE)	
Res Home Advantage	14.9%
Res Home Energy Improve.	14.9%
Residential Low Income-NES	14.9%
Residential Lighting	14.9%
Res Appliance Recycling	14.9%
Solar Hot Water Heating Pilot	14.9%
CIG Energy Efficiency	14.9%
CFL Pilot	14.9%

Appendix B – Continued

Allocation Factors Applicable to the Rate Period:

Program / Measure - (May 2010 through June 2011)	South Carolina
Demand-Side Management (DSM)	
CIG DR	14.1%
EnergyWise™	14.1%
DSDR Implementation	14.1%
Energy Efficiency Programs (EE)	
Res Home Advantage	14.6%
Res Home Energy Improve.	14.6%
Residential Low Income-NES	14.6%
Residential Lighting	14.6%
Res Appliance Recycling	14.6%
Solar Hot Water Heating Pilot	14.6%
CIG Energy Efficiency	14.6%
CFL Pilot	14.6%

Appendix C: Test Period Savings By Measure

				Average Per Measure	
	Participants	kWh Savings	kW Savings	kWh Savings	kW Savings
EnergyWise™					
AC Direct Load Control	18,117	-	21,834	-	1.21
Water Heater Direct Load Control	624	-	496	-	0.80
HP Strip Heater Direct Load Control	416	-	414	-	0.99
	19,157	-	22,744	-	1.19
Residential Home Advantage					
ENERGY STAR	354	637,200	196	1,800	0.55
Heat Pump	178	124,796	62	701	0.35
Central AC	16	4,522	2	283	0.12
Geothermal Heat Pump	14	2,195	2	157	0.13
	562	768,712	261	1,368	0.46
Residential Home Energy Improvement					
ASHP HVAC Replacement	3,697	2,061,447	1,692	558	0.46
Furnace/AC HVAC Replacement	1,040	356,928	476	343	0.46
Geothermal HVAC Replacement	67	92,460	37	1,380	0.55
Duct Testing/Repair	1,837	850,898	398	463	0.22
HVAC Level I Tune Up	9,763	2,163,481	1,906	222	0.20
Insulation/Air Sealing	456	142,637	98	313	0.22
Window Replacement	2,282	1,453,178	748	637	0.33
	19,142	7,121,029	5,356	372	0.28
Residential Low Income-NES	2,101	4,230,000	654	2,013	0.31
Residential Lighting Program	461,250	10,740,437	1,018	23	0.00
Residential Appliance Recycling	NA	NA	NA	NA	NA
Residential Solar Water Heating Pilot	65	NA	NA	NA	NA
CIG Energy Efficiency					
Prescriptive Lighting	373	16,668,343	4,099	44,687	10.99
Prescriptive HVAC	29	250,661	137	8,643	4.74
Prescriptive Motor	4	438	0	109	0.03
Prescriptive Refrigeration	10	37,563	4	3,756	0.43
Custom Measure	35	4,347,320	1,056	124,209	30.18
Technical Assistance	11	0	0	-	-
New Construction Prescriptive Lighting	5	52,484	13	10,497	2.64
New Construction Prescriptive HVAC	1	8,408	2	8,408	2.04
New Construction Prescriptive Motor	1	175	0	175	0.04
New Construction Prescriptive Refrigeration	1	175	0	175	0.02
New Construction Custom Measure	1	35,033	9	35,033	8.51
	471	21,400,601	5,321	45,437	11.30

PROGRESS ENERGY CAROLINAS, INC

Demand Side Management and Energy Efficiency Programs

Workpapers

SC Docket No: 2010 - ____ - E

Workpapers

Section A – Cost Summary & Rate Development (Exhibits)

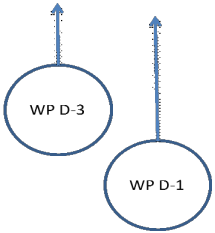
South Carolina Retail - DSM/EE Revenue Requirements Summary

A. Test Period

April 2009 through March 2010

SC DSM Program Expenses																
1	CIG DR	Per Books	\$ 53,123		\$ -	\$ 53,123	\$ 5,312	\$ 2,963			\$ -	\$ -	\$ 8,275	\$ -	\$ -	\$ 8,275
2	EnergyWise	Per Books	990,963		-	990,963	99,096	10,801			-	-	109,897	-	21,414	131,311
3	Total DSM	Σ Lines 1 thru 2	\$ 1,044,086		\$ -	\$ 1,044,086	\$ 104,408	\$ 13,764			\$ -	\$ -	\$ 118,172	\$ -	\$ 21,414	\$ 139,586
4	DSM Assigned to A&G Cost	Per Books			138,440	138,440	13,844	11,082			69,688	20,096	114,710	-	-	114,710
5	Total DSM and Assigned Cost	Σ Lines 3 thru 4	\$ 1,044,086		\$ 138,440	\$ 1,182,526	\$ 118,252	\$ 24,846			\$ 69,688	\$ 20,096	\$ 232,882	\$ -	\$ 21,414	\$ 254,296
SC EE Program Expenses																
6	Res Home Advantage	Per Books	\$ 109,458		\$ -	\$ 109,458	\$ 10,946	\$ 8,752			\$ -	\$ -	\$ 19,698	\$ 4,298	\$ 1,030	\$ 25,026
7	Res Home Energy Improvem't	Per Books	629,369		-	629,369	62,937	6,767			-	-	69,704	25,754	9,314	104,772
8	Residential Low Income	Per Books	113,139		-	113,139	11,314	1,421			-	-	12,735	3,311	-	16,046
9	CIG Energy Efficiency	Per Books	659,442		-	659,442	65,944	17,682			-	-	83,626	79,031	30,114	192,770
10	Solar Hot Water Pilot	Per Books	21,640		-	21,640	2,164	131			-	-	2,295	-	-	2,295
11	Residential Lighting1	Per Books	177,403		-	177,403	35,481	-			-	-	35,481	12,727	-	48,208
12	Res Appliance Recycling	Per Books	13,203		-	13,203	1,320	-			-	-	1,320	-	-	1,320
13	Home Depot CFL	Per Books	-		-	-	-	2,140			-	-	2,140	58,783	10,473	71,396
14	Total EE	Σ Lines 6 thru 13	\$ 1,723,654		\$ -	\$ 1,723,654	\$ 190,106	\$ 36,893			\$ -	\$ -	\$ 226,999	\$ 183,904	\$ 50,930	\$ 461,833
15	EE Assigned to A&G Cost	Per Books			215,351	215,351	21,535	21,350			115,009	32,289	190,183	-	-	190,183
16	Total DSM and Assigned Cost	Σ Lines 14 thru 15	\$ 1,723,654		\$ 215,351	\$ 1,939,005	\$ 211,641	\$ 58,243			\$ 115,009	\$ 32,289	\$ 417,182	\$ 183,904	\$ 50,930	\$ 652,016
SC DSDR Program Expenses																
17	DSDR Program	Per Books	\$ 600,767	\$ 20,851	\$ -	\$ 621,618	\$ 62,162	27,891	\$ 405,924	\$ 115,330	\$ 25,634	\$ 135,063	\$ 103,634	\$ 59,793	\$ 935,431	\$ 935,431
18	DSDR Assigned to A&G Cost	Per Books			94,512	94,512	9,451	32,405					41,856	-	-	41,856
19	Total DSM and Assigned Cost	Σ Lines 17 thru 18	\$ 600,767	\$ 20,851	\$ 94,512	\$ 716,130	\$ 71,613	\$ 60,296	\$ 405,924	\$ 115,330	\$ 25,634	\$ 135,063	\$ 103,634	\$ 59,793	\$ 977,287	\$ 977,287
20	Test Period Totals	Lines 5 + 16 + 19	\$ 3,368,507	\$ 20,851	\$ 448,303	\$ 3,837,661	\$ 401,506	\$ 143,385	\$ 405,924	\$ 115,330	\$ 25,634	\$ 135,063	\$ 288,331	\$ 112,178	\$ 1,627,351	\$ 1,883,599

¹ Residential Lighting is being recovered over a 5 year period. All other EE programs are over 10 years.



South Carolina Retail - DSM/EE Revenue Requirements Summary

B. Rate Period

July 2010 through June 2011

SC DSM Program Expenses
1 CIG DR
2 EnergyWise
3 Total DSM
4 DSM Assigned to A&G Cost
5 Total DSM and Assigned Cost

Per Forecast
Per Forecast
Σ Lines 1 thru 2
Per Books
Σ Lines 3 thru 4

SC EE Program Expenses
6 Res Home Advantage
7 Res Home Energy Improvem't
8 Residential Low Income
9 CIG Energy Efficiency
10 Solar Hot Water Pilot
11 Residential Lighting¹
12 Res Appliance Recycling
13 Home Depot CFL
14 Total EE
15 EE Assigned to A&G Cost
16 Total DSM and Assigned Cost

Per Forecast
Per Forecast
Per Forecast
Per Forecast
Per Forecast
Per Forecast
Per Forecast
Per Forecast
Σ Lines 6 thru 13
Per Books
Σ Lines 14 thru 15

SC DSDR Program Expenses
17 DSDR Program
18 DSDR Assigned to A&G Cost
19 Total DSM and Assigned Cost

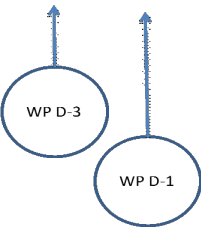
Per Forecast
Per Forecast
Σ Lines 17 thru 18

20 Rate Period Totals

Lines 5 + 16 + 19

SOUTH CAROLINA JURISDICTIONALLY ALLOCATED RETAIL COSTS ONLY															
O&M	Insurance	A&G Expense	Capitalized O&M and A&G	Current Period Amortization	Prior Period Amortization	DSDR Capital Costs	Income Taxes on DSDR Capital Costs	DSDR Property Taxes	DSDR Depreciation	Carrying Costs Net of Taxes	Income Taxes on Carrying Cost	Rev Reqmt Before PPI & NLR	Net Lost Revenue	PPI	Total Revenue Requirement
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
			ΣCols(1)thru(3)										ΣCols(5)thru(12)		ΣCols(13)thru(15)
\$ 380,636		-	\$ 380,636	\$ 38,064	8,275					\$ -	\$ -	\$ 46,339	\$ -	\$ 15,671	\$ 62,010
1,422,231		-	1,422,231	142,223	109,897					-	-	252,120	-	95,699	347,819
1,802,867		\$ -	1,802,867	180,287	118,172					\$ -	\$ -	\$ 298,459	\$ -	\$ 111,370	\$ 409,829
		147,443	147,443	14,744	24,926					145,824	53,476	238,970	-	-	238,970
1,802,867		\$ 147,443	1,950,310	195,031	143,098					\$ 145,824	\$ 53,476	\$ 537,429	\$ -	\$ 111,370	\$ 648,799
\$ 179,707		\$ -	\$ 179,707	17,971	19,698					\$ -	\$ -	\$ 37,669	\$ 18,698	\$ 4,885	61,252
749,590		-	749,590	74,959	69,704					-	-	144,663	88,809	31,074	264,545
293,111		-	293,111	29,311	12,735					-	-	42,046	41,593	-	83,639
1,319,009		-	1,319,009	131,901	83,626					-	-	215,527	336,686	95,266	647,479
38,967		-	38,967	3,897	2,295					-	-	6,192	-	-	6,192
876,382		-	876,382	175,276	35,481					-	-	210,757	516,659	68,476	795,892
257,510		-	257,510	25,751	1,320					-	-	27,071	32,830	3,692	63,592
-		-	-	-	2,140					-	-	2,140	23,899	10,473	36,512
3,714,276		\$ -	\$ 3,714,276	459,066	226,999					\$ -	\$ -	\$ 686,065	\$ 1,059,172	\$ 213,866	\$ 1,959,103
		335,955	335,955	33,596	42,885					284,959	104,499	465,939	-	-	465,939
3,714,276		\$ 335,955	4,050,231	492,662	269,884					\$ 284,959	\$ 104,499	\$ 1,152,004	\$ 1,059,172	\$ 213,866	\$ 2,425,042
WP C	WP C					WP C	WP C	WP C	WP C						
\$ 661,921	\$ 7,015	\$ -	\$ 668,936	\$ 66,192	90,053	\$ 1,140,284	\$ 530,587	\$ 135,490	\$ 582,518	\$ 97,547	\$ 35,772	\$ 2,678,443	\$ -	\$ -	\$ 2,678,443
		51,098	51,098	5,110	41,856							46,966	-	-	46,966
661,921	7,015	\$ 51,098	720,034	71,302	131,909	1,140,284	530,587	135,490	582,518	97,547	35,772	2,725,409	-	-	2,725,409
6,179,064	7,015	\$ 534,496	6,720,575	758,995	544,891	1,140,284	530,587	135,490	582,518	528,330	193,747	4,414,842	1,059,172	325,236	5,799,250

¹ Residential Lighting is being recovered over a 5 year period. All other EE programs are over 10 years.



PROGRESS ENERGY CAROLINAS, INC.

Determination of Net Revenue Requirement for Test Period

		Residential	General Service	Lighting	Total
1 Prior Period Cost of Service (9-07 to 3-09)					
2 Energy Efficiency Programs	Docket No. 2009-191-E	\$ 128,966.62	\$ 17,681.64	\$ -	\$ 146,648.26
3 EE A&G and Carrying Cost Allocation	Docket No. 2009-191-E	33,941.73	27,412.86	-	61,354.59
4 Total Energy Efficiency Cost of Service	Line 2 + Line 3	\$ 162,908.35	\$ 45,094.50	\$ -	\$ 208,002.85
5					
6 Demand Side Management Programs	Docket No. 2009-191-E	\$ 80,314.12	\$ 34,630.47	\$ -	\$ 114,944.59
7 DSM A&G and Carrying Cost Allocation	Docket No. 2009-191-E	58,997.21	25,779.74	-	84,776.95
8 Total DSM Cost of Service	Line 6 + Line 7	\$ 139,311.33	\$ 60,410.20	\$ -	\$ 199,721.54
9					
10 Total Cost of Service thru 3-31-09	Line 4 + Line 8	\$ 302,219.68	\$ 105,504.70	\$ -	\$ 407,724.38
11					
12 Current Period Cost of Service (4-09 to 3-10)					
13 Energy Efficiency Programs	Exhibit 1	\$ 143,373.00	\$ 83,626.00	\$ -	\$ 226,999.00
14 EE A&G and Carrying Cost Allocation	Exhibit 1	120,119.94	70,063.06	-	190,183.00
15 PPI and Net Lost Revenues	Exhibit 1	125,690.05	109,144.29	-	234,834.34
16 Total Energy Efficiency Cost of Service	Lines 13 + 14 + 15	\$ 389,182.99	\$ 262,833.35	\$ -	\$ 652,016.34
17					
18 Demand Side Management Programs	Exhibit 1	\$ 109,897.00	\$ 8,275.00	\$ -	\$ 118,172.00
19 DSM A&G and Carrying Cost Allocation	Exhibit 1	106,677.43	8,032.57	-	114,710.00
20 DSM PPI and Net Lost Revenues	Exhibit 1	21,413.83	-	-	21,413.83
21 DSDR Program	Exhibit 1	565,114.77	370,316.23	-	935,431.00
22 DSDR A&G and Carrying Cost Allocation	Exhibit 1	25,286.14	16,569.86	-	41,856.00
23 Total DSM Cost of Service	Σ Lines 18 thru 22	\$ 828,389.17	\$ 403,193.66	\$ -	\$ 1,231,582.83
24					
25 Cost of Service for 12 ME 3-31-10	Line 16 + Line 23	1,217,572.16	666,027.01	-	1,883,599.17
26					
27 Total Cost of Service thru March 31, 2010					
28 Energy Efficiency Programs	Line 4 + Line 16	\$ 552,091.35	\$ 307,927.85	\$ -	\$ 860,019.19
29 Demand Side Management Programs	Line 8 + Line 23	967,700.50	463,603.87	-	1,431,304.36
30 Total COS Before Revenue Offsets	Line 28 + Line 29	\$ 1,519,791.84	\$ 771,531.71	\$ -	\$ 2,291,323.55
31					
32 Rev Req Percentages from Prior Filing					
33 EE Percentage of Revenue Requirement	Docket No. 2009-191-E	29.95%	37.84%	-	32.52%
34 DSM Percentage of Revenue Requirement	Docket No. 2009-191-E	70.05%	62.16%	-	67.48%
35					
36 Actual Revenue (7-09 to 3-10)	Per Books	\$ 1,412,748.14	\$ 795,184.50	\$ -	\$ 2,207,932.64
37 EE Portion of Revenue	Line 33 x Line 36	423,099.92	300,860.67	-	723,960.59
38 DSM Portion of Revenue	Line 34 x Line 36	989,648.22	494,323.83	-	1,483,972.05
39 Check Total	Line 37 + Line 38	\$ 1,412,748.14	\$ 795,184.50	\$ -	\$ 2,207,932.64
40					
41 Adjustments					
42 RECD Discount - Energy Efficiency	WPs WP B-8	\$ (77.51)	\$ -	\$ -	\$ (77.51)
43 RECD Discount - Demand Side Management	WPs	(181.31)	-	-	(181.31)
44 Uncollectible - Energy Efficiency	WPs WP B-6	579.22	(68.90)	-	510.33
45 Uncollectible - Demand Side Management	WPs	1,354.83	(113.20)	-	1,241.63
46 Total Adjustments	Lines 42 + 43 + 44 + 45	1,675.23	(182.10)	-	1,493.13
47					
48 Revenue Requirement at March 31, 2010					
49 EE Portion of Revenue Requirement	Lines 28 - 37 + 42 + 44	\$ 129,493.13	\$ 6,998.28	\$ -	\$ 136,491.41
50 DSM Portion of Revenue Requirement	Lines 29 - 38 + 43 + 45	(20,774.20)	(30,833.16)	-	(51,607.37)
51 Total Revenue Requirement at 3-31-10	Line 49 + Line 50	\$ 108,718.93	\$ (23,834.89)	\$ -	\$ 84,884.05

PROGRESS ENERGY CAROLINAS, INC.
Annual DSM/EE Opt-Out Sales Estimate for SC Customers
Annual Sales for the Year Ended June, 2011

Rate Class	Opt-Out KWHs
Residential	0
General Service	2,290,855,124
Lighting	3,148,029
Total Estimated Opt-Out Sales	2,294,003,153

PROGRESS ENERGY CAROLINAS, INC.
Energy Allocation Factors - Applicable to EE Program Costs

South Carolina Rate Class Energy Allocation Factors

Rate Class	Total SC Rate Class Sales (MWhrs) ⁽¹⁾	Opt-Out Sales ⁽²⁾	Adjusted SC Rate Class MWhr Sales	Rate Class Energy Allocation Factor
	(1)	(2)	(3) = (1) - (2)	(4) = (3) / SC Total in Column 3
Residential	2,138,622	0	2,138,622	51.99%
General Service	4,176,166	2,290,855	1,885,311	45.83%
Lighting	92,889	3,148	89,741	2.18%
SC Retail	6,407,677	2,294,003	4,113,674	100.00%

NOTES:

- (1) Total SC Rate Class Sales (MWhrs) are for the forecasted year ended June 2011.
(2) Opt-Out sales are provided in Evans Exhibit No. 3

PROGRESS ENERGY CAROLINAS, INC.

Demand Allocation Factors - Applicable to DSM Programs

South Carolina Rate Class Demand Allocation Factors

Rate Class	Total SC Rate Class Sales ⁽¹⁾	Sales Subject to Opt-Out ⁽²⁾	Rate Class Demand ⁽³⁾	Revised Rate Class Demand $(4) = ((1 - 2) / 1) * 3$	Rate Class Allocation Factor $(5) = (4) / \text{Total of Column 4}$
	(1)	(2)	(3)		
Residential	2,138,622	0	504,141	504,141	60.41223%
General Service	4,176,166	2,290,855	731,784	330,361	39.58777%
Lighting	92,889	3,148	0	0	0.00000%
SC Retail	6,407,677	2,294,003	1,235,925	834,502	100.00000%

NOTES:

- (1) Total SC Rate Class Sales (MWHrs) are for the forecasted year ended June 2011.
- (2) Opt-Out sales are provided in Evans Exhibit No. 3
- (3) The CP demands are based on the 2009 Coincident Peak occurring on August 10 during the hour ended at 4 P.M.

PROGRESS ENERGY CAROLINAS, INC.

Energy Efficiency Rate Derivation

SC Rate Class	Adjusted SC Rate Class kWhr Sales ⁽¹⁾	Rate Class Energy Allocation Factor ⁽²⁾	EE Revenue Requirements							
			Residential Programs ⁽³⁾	CIG Programs ⁽⁴⁾	Common Programs	Allocated A&G Costs ⁽⁵⁾	Allocated Carrying Costs ⁽⁵⁾	Net Test Period Revenue Requirement ⁽⁶⁾	Total of Allocated Costs	Total EE Rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) = Σ (3 thru 8)	(10) = (9) / (1)
Residential	2,138,622,214	51.99%	\$1,311,624	\$0	\$0	\$52,455	\$267,110	\$129,493	\$1,760,682	\$0.000823
General Service	1,885,311,106	45.83%	\$0	\$647,479	\$0	\$24,026	\$122,348	\$6,998	\$800,852	\$0.000425
Lighting	89,740,909	2.18%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.000000
SC Retail	4,113,674,228	100%	\$1,311,624	\$647,479	\$0	\$76,481	\$389,458	\$136,491	\$2,561,533	\$0.000590

NOTES:

(1) Rate Class Sales, excluding "Opt-Out" sales, are derived in Evans Exhibit No. 4, column (3).

(2) Rate Class Energy Allocation Factor is derived in Evans Exhibit No. 4, column (4).

(3) CFL, Solar Water Heating Pilot, Residential HEIP, Residential Lighting, Appliance Recycling and Residential Home Advantage Program costs are allocated solely to Residential Class.

(4) CIG Energy Efficiency costs are allocated solely to General Service Class.

(5) A&G and Carrying Costs are allocated on the basis of revenue requirements (excluding incentives).

(6) Net Energy Efficiency Revenue Requirements are derived on Evans Exhibit No. 2

PROGRESS ENERGY CAROLINAS, INC.

Demand Side Management Rate Derivation

SC Rate Class	Adjusted SC Rate Class kWhr Sales ⁽¹⁾	Rate Class Demand Allocation Factor ⁽²⁾	DSM Revenue Requirement							
			Residential Programs ⁽³⁾	CIG Programs ⁽⁴⁾	DSDR ⁽⁵⁾	Non-DSDR Assigned A&G and Carrying Costs ⁽⁶⁾	DSDR Assigned A&G and Carrying Costs ⁽⁵⁾	Net Test Period Revenue Requirement ⁽⁷⁾	Total of Allocated Costs	Total DSM Rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(7)	(8) = Σ (3 thru 7)	(9) = (8) / (1)
Residential	2,138,622,214	60.41%	\$347,819	\$0	\$1,537,566	\$201,867	\$108,914	-\$20,774	\$2,175,393	\$0.001017
General Service	1,885,311,106	39.59%	\$0	\$62,010	\$1,007,558	\$37,103	\$71,371	-\$30,833	\$1,147,208	\$0.000608
Lighting	89,740,909	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.000000
SC Retail	4,113,674,228	100.00%	\$347,819	\$62,010	\$2,545,124	\$238,970	\$180,285	-\$51,607	\$3,322,601	\$0.000808

NOTES:

(1) Rate Class Sales, excluding "Opt-Out" sales, are derived in Evans Exhibit No. 4, column (3).

(2) Rate Class Demand Allocation Factor is derived in Evans Exhibit No. 5, column (5).

(3) EnergyWise costs are directly assigned solely to Residential Rate Class.

(4) CIG DR Program costs are directly assigned solely to General Service Class.



(5) DSDR Costs and assigned A&G and carrying costs are allocated using Rate Class Demand Allocation Factor from column (2).

(6) Non-DSDR A&G and Carrying Costs are allocated on the basis of revenue requirements (before adjustment for incentives) assigned in columns (3) and (4).


(7) Net DSM Revenue Requirements are derived on Evans Exhibit No. 2

PROGRESS ENERGY CAROLINAS, INC.
EE/DSM Billing Rate - July 2009 through June 2010
Revenue Adjustment Factors

Residential Adjustment Factor

1	Billed kWh (12ME 3/31/09)	<i>Per Books</i>		2,288,635,954
2	Billed RECD kWh (12ME 3/31/09)	<i>Per Books</i>		<u>371,783,179</u> (a)
3	RECD kWh Percent of Total Billed	<i>Line 2 / Line 1</i>		16.2447%
4	RECDiscount	<i>RECD Discount</i>		<u>5.0000%</u> (b)
5	RECD Impact (Weighted Discount)	<i>Line 3 x Line 4</i>		0.8122% (d)
6	Uncollectable Estimate for Forecast Period	<i>Estimate</i>		<u>0.6407%</u> (c)
7	Residential Adjustment Factor for Rate Period	<i>Line 5 + Line 6</i>		<u><u>1.4529%</u></u> (d)

General Service Adjustment Factor

8	Uncollectable Estimate for Forecast Period	<i>Estimate</i>		<u>0.0791%</u> (c)
9	General Service Adjustment Factor for Rate Period	<i>Line 8</i>		<u><u>0.0791%</u></u> (d)

Notes:

- (a) Energy billed and discounted pursuant to Residential Energy Conservation Discount, Rider RECD-2B.
- (b) Five-percent discount provided under Residential Energy Conservation Discount, Rider RECD-2B.
- (c) Estimated incremental level of uncollectables associated with DSM/EE billings.
- (d) Estimated impacts of uncollectable and RECD related discounts will be trued up to actual amounts.

PROGRESS ENERGY CAROLINAS, INC.
EE/DSM Billing Rate - July 2009 through June 2010

All rates are shown in dollars per kWh

Rates Net of South Carolina Gross Receipts Taxes (GRT) and Regulatory Fee

SC Rate Class	Total EE Rate (1)	Total DSM Rate (2)	Total DSM/EE Rate (3)	RECD & Uncollectible Adjustment (4)	DSM/EE Rate (5)
Residential	\$0.000823	\$0.001017	\$ 0.001840	\$0.000027	\$0.00187
General Service	0.000425	0.000608	0.001033	0.000001	\$0.00103
Lighting	0.000000	0.000000	0.000000	0.000000	\$0.00000
SC Retail	\$0.000623	\$0.000807	\$0.001430	\$0.000014	\$0.001444

Rates Including SC Gross Receipts Taxes at 0.30% and Regulatory Fee at 0.1541%

SC Rate Class	DSM/EE Rate <i>(net of GRT)</i> (6)	Gross Receipts Tax and Regulatory Fee Adjustment (7)	DSM/EE Billing Rate (8)
Residential	\$0.00187	\$0.00001	\$0.00188
General Service	0.00103	0.00000	0.00103
Lighting	0.00000	0.00000	0.00000
SC Retail	\$0.001444	\$0.000006	\$0.00145

NOTES:

- (1) Total EE Rate is derived in Evans Exhibit No. 6, column (10).
- (2) Total DSM Rate is derived in Evans Exhibit No. 7, column (9).
- (3) Total DSM/EE Rate is sum of columns (1) and (2).
- (4) Adjustment factors derived in Evans Exhibit No. 8 applied to column (3)
- (5) DSM/EE Rate is derived from the sum of columns (3) and (4).
- (6) DSM/EE Billing Rate from column (5)
- (7) Calculated Gross Receipts Tax and Regulatory Fee at the combined rate of 0.4541% on column (6)
- (8) DSM/EE Billing Rate is derived from the sum of columns (6) and (7) and rounded to 5 decimal points.

Workpapers

Section B – Allocation Factor and Revenue Adjustment Factor Development

Progress Energy Carolinas, Inc.
Projected SC Sales Values

	Residential	General Service	General Service Opt-Out Estimates	Net General Service	Lighting	Lighting Opt-Out Estimates	Net Lighting	Total	Total Net of Opt- Out Estimates
Jul-10	222,631,619	368,965,008	202,397,446	166,567,562	7,702,767	261,049	7,441,718	599,299,394	396,640,899
Aug-10	222,997,616	401,131,046	220,042,274	181,088,773	8,369,637	283,649	8,085,988	632,498,299	412,172,376
Sep-10	180,139,480	387,149,283	212,372,513	174,776,770	8,005,923	271,323	7,734,600	575,294,685	362,650,849
Oct-10	129,905,770	366,632,142	201,117,742	165,514,401	7,799,062	264,312	7,534,750	504,336,975	302,954,921
Nov-10	130,178,974	320,978,401	176,074,173	144,904,228	7,717,711	261,555	7,456,156	458,875,086	282,539,358
Dec-10	202,556,561	305,060,596	167,342,388	137,718,208	7,596,220	257,438	7,338,782	515,213,377	347,613,551
Jan-11	262,750,750	315,322,202	172,971,439	142,350,763	8,072,133	273,567	7,798,566	586,145,084	412,900,079
Feb-11	184,577,240	329,401,539	180,694,724	148,706,815	7,080,504	239,960	6,840,544	521,059,283	340,124,599
Mar-11	163,573,869	323,902,501	177,678,202	146,224,300	7,030,481	238,265	6,792,216	494,506,852	316,590,386
Apr-11	124,946,637	346,342,201	189,987,602	156,354,599	7,691,821	260,678	7,431,143	478,980,659	288,732,380
May-11	128,697,562	350,234,276	192,122,617	158,111,659	7,943,022	269,191	7,673,831	486,874,860	294,483,052
Jun-11	185,666,136	361,047,034	198,054,005	162,993,029	7,879,657	267,044	7,612,613	554,592,826	356,271,778
	2,138,622,214	4,176,166,230	2,290,855,124	1,885,311,106	92,888,938	3,148,029	89,740,909	6,407,677,381	4,113,674,228

Progress Energy Carolinas, Inc.

Test Period DSM/EE Cost Recovery Summary

			General Service					
			Residential	DSM/EE Billings	Opt-Out Credits	Net Billings	Lighting	Total
1	Apr-09	NA ¹	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	May-09	NA ¹	-	-	-	-	-	-
3	Jun-09	NA ¹	-	-	-	-	-	-
4	Jul-09	Per Books	168,273.50	183,888.21	(75,628.36)	108,259.85	-	276,533.35
5	Aug-09	Per Books	160,720.84	182,088.43	(82,067.12)	100,021.31	-	260,742.15
6	Sep-09	Per Books	141,361.67	178,118.42	(82,994.84)	95,123.58	-	236,485.25
7	Oct-09	Per Books	108,453.12	159,133.43	(77,181.66)	81,951.77	-	190,404.89
8	Nov-09	Per Books	96,166.69	140,239.27	(71,397.07)	68,842.20	-	165,008.89
9	Dec-09	Per Books	144,175.26	172,039.64	(96,246.23)	75,793.41	-	219,968.67
10	Jan-10	Per Books	228,438.19	176,051.40	(76,203.45)	99,847.95	-	328,286.14
11	Feb-10	Per Books	184,948.77	173,804.31	(93,842.54)	79,961.77	-	264,910.54
12	Mar-10	Per Books	180,210.10	189,096.35	(103,713.69)	85,382.66	-	265,592.76
13	Period Totals	Σ Lines 1 thru 12	\$ 1,412,748.14	\$ 1,554,459.46	\$ (759,274.96)	\$ 795,184.50	\$ -	\$ 2,207,932.64

¹ Initial DSM/EE rates became effective July, 1 2009.

Progress Energy Carolinas, Inc.

Estimation of Opt-Out Quantities for Billing Determinant Application

			General Service			Lighting			Total		
			Billing kWh	Opt-Out kWh	Net kWh Billings	Billing kWh	Opt-Out kWh	Net kWh Billings	Billing kWh	Opt-Out kWh	Net kWh Billings
			(a)	(b)	(c) = (a) + (b)	(d)	(e)	(f) = (d) + (e)	(g) = (a) + (d)	(h) = (b) + (e)	(i) = (c) + (f)
1	Apr-09	NA ¹	-	-	-	-	-	-	-	-	-
2	May-09	NA ¹	-	-	-	-	-	-	-	-	-
3	Jun-09	NA ¹	-	-	-	-	-	-	-	-	-
4	Jul-09	Per Books	368,638,192	(173,914,058)	194,724,134	7,724,817	(152,594)	7,572,223	376,363,009	(174,066,652)	202,296,357
5	Aug-09	Per Books	388,768,943	(210,010,061)	178,758,882	7,694,495	(222,200)	7,472,295	396,463,438	(210,232,261)	186,231,177
6	Sep-09	Per Books	331,009,849	(161,175,473)	169,834,376	7,688,679	(228,912)	7,459,767	338,698,528	(161,404,385)	177,294,143
7	Oct-09	Per Books	347,103,361	(200,760,094)	146,343,267	7,707,103	(234,583)	7,472,520	354,810,464	(200,994,677)	153,815,787
8	Nov-09	Per Books	333,380,251	(210,447,505)	122,932,746	7,693,777	(237,739)	7,456,038	341,074,028	(210,685,244)	130,388,784
9	Dec-09	Per Books	307,194,871	(171,868,256)	135,326,615	7,697,999	(232,463)	7,465,536	314,892,870	(172,100,719)	142,792,151
10	Jan-10	Per Books	314,426,424	(136,077,561)	178,348,863	7,667,204	(212,352)	7,454,852	322,093,628	(136,289,913)	185,803,715
11	Feb-10	Per Books	310,364,851	(167,575,987)	142,788,864	7,684,035	(227,368)	7,456,667	318,048,886	(167,803,355)	150,245,531
12	Mar-10	Per Books	337,620,047	(185,203,024)	152,417,023	7,723,638	(261,756)	7,461,882	345,343,685	(185,464,780)	159,878,905
13	Period Totals	Σ Lines 1 thru 12	3,038,506,789	(1,617,032,019)	1,421,474,770	69,281,747	(2,009,967)	67,271,780	3,107,788,536	(1,619,041,986)	1,488,746,550
14	Opt-Out %			53.22%			2.90%			52.10%	
15	Mar-10 Opt-Out			54.86%			3.39%			53.70%	

			General Service			Lighting			Total		
			Estimated Total	Opt-Out %	Est. Opt-Out kWh	Estimated Total	Opt-Out %	Est. Opt-Out kWh	Billing kWh	Opt-Out %	Est. Opt-Out kWh
			(j)	(k)	(l) = (j) x (k)	(m)	(n)	(o) = (m) x (n)	(p) = (j) + (m)	(q) = (o) + (l) / (j) + (m)	(r) = (l) + (o)
16	Jul-10	Line 15 x Forecast	368,965,008	54.86%	202,397,446	7,702,767	3.39%	261,049	376,667,774	53.80%	202,658,494
17	Aug-10	Line 15 x Forecast	401,131,046	54.86%	220,042,274	8,369,637	3.39%	283,649	409,500,683	53.80%	220,325,923
18	Sep-10	Line 15 x Forecast	387,149,283	54.86%	212,372,513	8,005,923	3.39%	271,323	395,155,206	53.81%	212,643,836
19	Oct-10	Line 15 x Forecast	366,632,142	54.86%	201,117,742	7,799,062	3.39%	264,312	374,431,205	53.78%	201,382,054
20	Nov-10	Line 15 x Forecast	320,978,401	54.86%	176,074,173	7,717,711	3.39%	261,555	328,696,112	53.65%	176,335,728
21	Dec-10	Line 15 x Forecast	305,060,596	54.86%	167,342,388	7,596,220	3.39%	257,438	312,656,816	53.61%	167,599,826
22	Jan-11	Line 15 x Forecast	315,322,202	54.86%	172,971,439	8,072,133	3.39%	273,567	323,394,335	53.57%	173,245,005
23	Feb-11	Line 15 x Forecast	329,401,539	54.86%	180,694,724	7,080,504	3.39%	239,960	336,482,044	53.77%	180,934,684
24	Mar-11	Line 15 x Forecast	323,902,501	54.86%	177,678,202	7,030,481	3.39%	238,265	330,932,982	53.76%	177,916,466
25	Apr-11	Line 15 x Forecast	346,342,201	54.86%	189,987,602	7,691,821	3.39%	260,678	354,034,022	53.74%	190,248,279
26	May-11	Line 15 x Forecast	350,234,276	54.86%	192,122,617	7,943,022	3.39%	269,191	358,177,298	53.71%	192,391,808
27	Jun-11	Line 15 x Forecast	361,047,034	54.86%	198,054,005	7,879,657	3.39%	267,044	368,926,691	53.76%	198,321,049
28	Period Totals	Σ Lines 16 thru 27	4,176,166,230		2,290,855,124	92,888,938		3,148,029	4,269,055,168		2,294,003,153

¹ Initial DSM/EE rates became effective July, 1 2009.

PROGRESS ENERGY CAROLINAS, INC.
Energy & Summer Production Demand Allocation Factors
From Calendar 2009 Cost of Service Analysis

Rate Schedule (1)	Production Energy (kWh) (2)		Production Summer CP (KW) (3)	
NC RES	15,818,718,820		3,529,593	
NC SGS	1,960,153,308		484,606	
NC SGT (SGS)	644,595,237		138,875	
NC SGT (MGS)	8,022,001,017		1,560,583	
NC MGS	2,766,080,486		551,066	
NC SI	62,427,005		18,544	
NC LGS	1,103,689,267		170,325	
NC LGS-TOU	2,160,634,877		326,028	
NC LGS-RTP	5,523,928,558		741,788	
NC TSS	11,198,310		1,265	
NC ALS	336,913,080		-	
NC SLS	132,061,907		-	
NC SFLS	1,904,306		-	
Total NC	38,544,306,179	85.41%	7,522,673	85.89%
SC RES	2,275,116,654		504,141	
SC SGS	311,951,801		79,401	
SC SGT (SGS)	93,291,548		20,321	
SC SGT (MGS)	1,070,712,330		206,630	
SC MGS	547,704,764		107,608	
SC SI	14,311,474		2,527	
SC LGS	696,132,322		106,072	
SC LGS-TOU	1,083,305,667		152,355	
SC LGS-RTP	393,831,184		56,787	
SC TSS	733,539		82	
SC ALS	79,723,875		-	
SC SLS	19,074,335		-	
SC SFLS	233,271		-	
Total SC	6,586,122,764	14.59%	1,235,925	14.11%
Total System	45,130,428,943	100.00%	8,758,598	100.00%

PROGRESS ENERGY CAROLINAS, INC.
Summer Coincident Peak Production Demand Allocation Factors
Calendar 2009 Cost of Service Analysis - South Carolina Retail

Rate Schedule	Summer CP Demand (KW)	Rate Class	Summer CP Demand (KW)	SC Rate Class Ratio
(1)	(2)	(3)	(4)	(5)
SC RES	504,141	Residential	504,141	40.79%
SC SGS	79,401	Small General Service	79,483	6.43%
SC SGT (SGS)	20,321	Medium General Service	337,087	27.27%
SC SGT (MGS)	206,630	Large General Service	315,214	25.50%
SC MGS	107,608	Lighting	0	0.00%
SC SI	2,527			
SC LGS	106,072	SC Retail	1,235,925	100.00%
SC LGS-TOU	152,355			
SC LGS-RTP	56,787			
SC TSS	82	DSM/EE Rate Classes		
SC ALS	0	Residential	504,141	40.79%
SC SLS	0	General Service	731,784	59.21%
SC SFLS	0	Lighting	0	0.00%
SC Retail	1,235,925	SC Retail	1,235,925	100.00%

Progress Energy Carolinas, Inc.
South Carolina Uncollectible Data and Adjustment

Residential			
1	Sales (kWh)	<i>Per Books</i>	2,163,839,768
2	Uncollectibles (kWh)	<i>WP B-7</i>	<u>13,863,047</u>
3	Percentage	<i>Line 2 / Line 1</i>	0.6407%
4	Estimated Residential Uncollectible Percentage	<i>Docket No. 2009-191-E, Exh 8</i>	<u>0.5038%</u>
5	Variation from Estimate	<i>Line 3 - Line 4</i>	0.1369%
6	SC Residential DSM/EE Billings	<i>WP B-2, Line 13</i>	<u>\$ 1,412,748.14</u>
7	SC Uncollectible DSM/EE Undercollection	<i>Line 5 x Line 6</i>	<u><u>\$ 1,934.05</u></u>
		Revenue %s	Rev %s x Line 7
8	Energy Efficiency (<i>Evans Exhibit No. 2</i>)	29.95%	\$ 579.22
9	Demand Side Mgt (<i>Evans Exhibit No. 2</i>)	70.05%	1,354.83
10	Check Total	100.00%	<u><u>\$ 1,934.05</u></u>
General Service (<i>net of Opt-Outs</i>)			
1	Sales (kWh)	<i>Exhibit No. 6</i>	1,885,311,106
2	Uncollectibles (kWh)	<i>WP B-7</i>	<u>1,490,475</u>
3	Percentage	<i>Line 2 / Line 1</i>	0.0791%
4	Estimated Gen Svc Uncollectible Percentage	<i>Docket No. 2009-191-E, Exh 8</i>	<u>0.1020%</u>
5	Variation from Estimate	<i>Line 3 - Line 4</i>	-0.0229%
6	SC Residential Gen Svc DSM/EE Billings	<i>WP B-2, Line 13</i>	<u>\$ 795,184.50</u>
7	SC DSM/EE Uncollectible Overcollection	<i>Line 5 x Line 6</i>	<u><u>\$ (182.10)</u></u>
		Revenue %s	Rev %s x Line 7
8	Energy Efficiency (<i>Evans Exhibit No. 2</i>)	37.84%	\$ (68.90)
9	Demand Side Mgt (<i>Evans Exhibit No. 2</i>)	62.16%	(113.20)
10	Check Total	100.00%	<u><u>\$ (182.10)</u></u>

Progress Energy Carolinas - Uncollectible Revenue Statistics*Shown by usage month - not month of accounting event*

South Carolina Accounts
 Charged Off 04/09 - 03/10
 (Three Month Lag)

Billing Month**Residential Service**

Month	Uncollectible Rev	Uncollectible Usage	Recovered Rev	Recovered Usage	Total Charge - Offs (\$)	Total Charge-Offs (KWH)
January-09	\$171,908.19	1662555	\$18,112.41	175168	\$153,795.78	1487387
February-09	\$202,793.22	1961250	\$23,093.56	223342	\$179,699.66	1737908
March-09	\$198,564.81	1920356	\$11,170.17	108029	\$187,394.64	1812327
April-09	\$148,735.08	1438444	\$10,323.07	99836	\$138,412.01	1338607
May-09	\$114,797.50	1110227	\$9,645.55	93284	\$105,151.95	1016943
June-09	\$106,366.81	1028693	\$10,609.87	102610	\$95,756.94	926083
July-09	\$122,629.83	1185975	\$14,146.61	136814	\$108,483.22	1049161
August-09	\$141,457.59	1368062	\$9,206.23	89035	\$132,251.36	1279027
September-09	\$138,374.87	1338248	\$2,137.54	20673	\$136,237.33	1317576
October-09	\$98,990.05	928992	\$1,283.41	9578	\$97,706.64	919414
November-09	\$65,520.31	633659	\$0.00	0	\$65,520.31	633659
December-09	\$35,668.37	344955	\$0.00	0	\$35,668.37	344955
					\$1,436,078.20	13,863,047

General Service (Does not Include Opt-Out Customers)

Month	Uncollectible Rev	Uncollectible Usage	Recovered Rev	Recovered Usage	Total Charge - Offs (\$)	Total Charge-Offs (KWH)
January-09	\$11,946.76	151225	\$283.57	3589	\$11,663.19	147635
February-09	\$12,784.30	161827	\$73.80	934	\$12,710.50	160892
March-09	\$12,375.52	156652	\$447.39	5663	\$11,928.13	150989
April-09	\$12,789.14	161888	\$545.80	6909	\$12,243.34	154979
May-09	\$13,374.98	169304	\$1,672.44	21170	\$11,702.54	148133
June-09	\$13,216.77	167301	\$272.81	3453	\$12,943.96	163848
July-09	\$13,505.97	170962	\$526.61	6666	\$12,979.36	164296
August-09	\$12,072.95	152822	\$98.64	1249	\$11,974.31	151574
September-09	\$9,348.33	118333	\$0.00	0	\$9,348.33	118333
October-09	\$5,897.54	74652	\$0.00	0	\$5,897.54	74652
November-09	\$2,882.25	36484	\$0.00	0	\$2,882.25	36484
December-09	\$1,474.07	18659	\$0.00	0	\$1,474.07	18659
					\$117,747.52	1,490,475

Progress Energy Carolinas, Inc.
South Carolina RECD Data and Adjustment

Line #	Month	Source	Jurisdiction	RECD Billed kWh
1	Apr-09	RMC1W	SC	23,068,954
2	May-09	RMC1W	SC	22,198,666
3	Jun-09	RMC1W	SC	29,568,941
4	Jul-09	RMC1W	SC	36,518,158
5	Aug-09	RMC1W	SC	34,705,150
6	Sep-09	RMC1W	SC	31,055,061
7	Oct-09	RMC1W	SC	24,114,642
8	Nov-09	RMC1W	SC	20,262,746
9	Dec-09	RMC1W	SC	29,145,281
10	Jan-10	RMCRY4	SC	46,391,377
11	Feb-10	RMCRY4	SC	37,629,525
12	Mar-10	RMCRY4	SC	37,124,678
13	Total	Σ Lines 1 thru 12		371,783,179
		Actual	Forecasted	
		12 ME 3-10	Docket No. 2009-191-E	Difference
14	Total Sales	2,288,635,954 (1)	2,208,637,371 (2)	-79,998,583
15	RECD Sales	371,783,179 (3)	366,880,259 (2)	-4,902,920
16	Percentage	16.24% (4)	16.61% (4)	0.37%
17	RECD Discount	5.00%	5.00%	5.00%
18	Adjustment Factor	0.8122% (5)	0.8306% (5)	0.0183%
19	Residential DSM/EE Recovery		(6)	\$ 1,412,748.14
20	RECD True-Up Adjustment		(7)	\$ 258.82
				Overcollection
		Revenue %s (8)	RECD Overcollection	Allocated Adjustment
21	Energy Efficiency	29.95% x	\$ 258.82 =	\$ 77.51
22	Demand Side Management	70.05% x	258.82 =	\$ 181.31
23	Check Total			\$ 258.82

(1) Source: Residential sales, per books, for the 12 months ending March 31, 2010.

(2) Source: Evans Exhibit No. 8 from Docket No. 2009-191-E

(3) Line 13

(4) Line 15 divided by Line 14

(5) Line 16 multiplied by Line 17

(6) Source: Test Period Residential DSM/EE Billings (see WP B-2)

(7) Line 18 multiplied by Line 19

(8) Source: Exhibit No. 2

Workpapers

Section C – Determination of DSDR Related Revenue Requirement

DSDR Revenue Requirement Analysis

SSDR Revenue Requirement Analysis														South Carolina
		July	August	September	October	November	December	January	February	March	April	May	June	Rate Period
		2010	2010	2010	2010	2010	2010	2011	2011	2011	2011	2011	2011	Totals
RATE BASE														
1	Gross Plant in Service	74,385,613	78,956,434	82,894,882	88,201,300	93,484,487	99,100,715	104,142,243	109,308,614	114,690,415	119,955,929	125,008,054	130,538,207	130,538,207
2	Accum. Depreciation	(1,335,767)	(1,463,063)	(1,600,774)	(1,753,316)	(1,922,008)	(2,108,675)	(2,308,987)	(2,523,310)	(2,752,372)	(2,995,777)	(3,252,879)	(3,525,049)	(3,525,049)
3	Net Plant in Service	73,049,846	77,493,371	81,294,108	86,447,984	91,562,479	96,992,040	101,833,256	106,785,304	111,938,043	116,960,153	121,755,175	127,013,158	127,013,158
4	Accum. Deferred Income Taxes	(8,583,754)	(8,733,272)	(8,902,201)	(9,109,108)	(9,386,685)	(9,836,346)	(10,061,677)	(10,292,584)	(10,530,689)	(10,777,076)	(11,032,795)	(11,303,431)	(11,303,431)
5	Rate Base	64,466,092	68,760,099	72,391,907	77,338,875	82,175,794	87,155,694	91,771,580	96,492,720	101,407,354	106,183,076	110,722,380	115,709,728	115,709,728
COST OF SERVICE (REVENUE REQUIREMENT)														
Return: Calculated on Beginning Balance														
6	Debt at 5.34% Wgt'd at 42.40%	105,787	121,644	129,747	136,600	145,935	155,062	164,458	173,168	182,077	191,351	200,362	208,928	1,915,119
7	Preferred at 5.0% Wgt'd at 0.68%	1,594	1,833	1,955	2,058	2,199	2,336	2,478	2,609	2,743	2,883	3,019	3,148	28,855
8	Equity at 12.75% Wgt'd at 56.91%	339,018	389,836	415,802	437,764	467,679	496,929	527,043	554,956	583,505	613,225	642,104	669,554	6,137,416
9	Gross up for Income Taxes; t = 37.68%	205,941	236,811	252,584	265,926	284,098	301,866	320,159	337,115	354,458	372,511	390,055	406,729	3,728,254
10	Total Return	652,340	750,124	800,088	842,348	899,911	956,193	1,014,139	1,067,849	1,122,784	1,179,970	1,235,540	1,288,359	11,809,643
11a	Property Tax	17,902	17,902	17,902	17,902	17,902	17,902	44,937	44,937	44,937	44,937	44,937	44,937	377,034
11b	Insurance [0.05%]	3,044	3,229	3,387	3,602	3,815	4,041	4,243	4,449	4,664	4,873	5,073	5,292	49,714
12	O&M Expense	320,626	506,328	327,750	330,219	333,502	382,138	407,370	409,221	413,976	410,749	424,320	424,951	4,691,150
13	Book Depreciation	267,603	279,252	289,667	304,498	320,648	338,623	352,268	366,279	381,018	395,361	409,058	424,126	4,128,402
14	Income Tax on Permanent Difference	2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675	32,105
15	Total Revenue Requirement	1,264,190	1,559,510	1,441,470	1,501,244	1,578,453	1,701,572	1,825,632	1,895,411	1,970,055	2,038,567	2,121,604	2,190,341	21,088,049
16	DEFERRED INCOME TAXES:													
17	Tax Depreciation (Current Additions Only)	243,457	288,903	342,340	450,995	646,167	1,099,491	530,529	557,531	589,149	623,116	659,392	705,286	6,736,356
18	(Construction Period Interest Income)	(25,819)	(32,589)	(35,421)	(36,499)	(40,514)	(50,084)	(50,676)	(51,516)	(52,376)	(53,390)	(60,326)	(61,111)	(550,322)
19	Book Depreciation on Cash Basis (excludes AFUDC)	111,222	122,871	133,286	148,117	164,267	182,242	195,887	209,898	224,637	238,980	252,677	267,745	2,251,830
20	(AFUDC Debt Income)	(71,996)	(57,910)	(67,231)	(71,354)	(76,603)	(89,750)	(99,828)	(101,902)	(104,240)	(106,755)	(114,913)	(122,921)	(1,085,405)
21	AFUDC Debt Depreciation	4,425	4,425	4,425	4,425	4,425	4,425	4,425	4,425	4,425	4,425	4,425	4,425	53,100
22	Tax Expense/(Income) minus Book Expense/(Income)	173,987	186,928	236,439	333,308	513,563	952,490	379,369	393,593	411,950	433,077	456,878	494,926	4,966,509
23	Combined Fed & State Tax Rate	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%
24	Deferred Income Taxes (Current Additions)	68,212	73,286	92,697	130,675	201,345	373,429	148,734	154,310	161,507	169,790	179,121	194,038	1,947,146
25	Deferred Income Taxes (Prior Additions)	76,232	76,232	76,232	76,232	76,232	76,232	76,597	76,597	76,597	76,597	76,597	76,597	916,975
26	Deferred Income Taxes (Total Additions)	144,444	149,518	168,929	206,907	277,577	449,661	225,331	230,908	238,105	246,387	255,719	270,636	2,864,121
27	Total Accumulated Deferred Income Taxes	(8,583,754)	(8,733,272)	(8,902,201)	(9,109,108)	(9,386,685)	(9,836,346)	(10,061,677)	(10,292,584)	(10,530,689)	(10,777,076)	(11,032,795)	(11,303,431)	(11,303,431)
Total Revenue Requirement Summary														
28	O&M Expense	320,626	506,328	327,750	330,219	333,502	382,138	407,370	409,221	413,976	410,749	424,320	424,951	4,691,150
29	Insurance	3,044	3,229	3,387	3,602	3,815	4,041	4,243	4,449	4,664	4,873	5,073	5,292	49,714
30	Depreciation	267,603	279,252	289,667	304,498	320,648	338,623	352,268	366,279	381,018	395,361	409,058	424,126	4,128,402
31	Capital Costs	446,399	513,313	547,504	576,422	615,813	654,327	693,979	730,733	768,326	807,459	845,485	881,630	8,081,389
32	General Taxes (Property Taxes)	17,902	17,902	17,902	17,902	17,902	17,902	44,937	44,937	44,937	44,937	44,937	44,937	377,034
33	Income Taxes	208,616	239,486	255,260	268,601	286,773	304,541	322,835	339,791	357,133	375,187	392,730	409,405	3,760,359
34	Total	1,264,190	1,559,510	1,441,470	1,501,244	1,578,453	1,701,572	1,825,632	1,895,411	1,970,055	2,038,567	2,121,604	2,190,341	21,088,049
35	SC DSM Program Allocation Factors	14.11%	14.11%	14.11%	14.11%	14.11%	14.11%	14.11%	14.11%	14.11%	14.11%	14.11%	14.11%	
SC Revenue Requirement Summary														
36	O&M Expense	45,240	71,443	46,246	46,594	47,057	53,920	57,480	57,741	58,412	57,957	59,872	59,961	661,921
37	Insurance	429	456	478	508	538	570	599	628	658	688	716	747	7,015
38	Depreciation	37,759	39,403	40,872	42,965	45,243	47,780	49,705	51,682	53,762	55,785	57,718	59,844	582,518
39	Capital Costs	62,987	72,428	77,253	81,333	86,891	92,326	97,920	103,106	108,411	113,932	119,298	124,398	1,140,284
40	General Taxes (Property Taxes)	6,433	6,433	6,433	6,433	6,433	6,433	16,149	16,149	16,149	16,149	16,149	16,149	135,490
41	Income Taxes	29,436	33,792	36,017	37,900	40,464	42,971	45,552	47,944	50,392	52,939	55,414	57,767	530,587
42	Total	182,284	223,954	207,299	215,733	226,627	243,999	267,405	277,250	287,783	297,450	309,166	318,865	3,057,815

Progress Energy Carolinas, Inc.

Calculation Tax and Return Related Input Factors for DSDR

	Component	12/31/09 Balances	Percent	Rate	Wgt'd Rate	Net of Tax Wgt'd Cost	Pre Tax Wgt'd Cost
1	Debt	\$ 3,687,318,619	42.40%	5.34%	2.26%	1.41% (a)	2.26%
2	Preferred	59,333,982	0.68%	5.00%	0.03%	0.03%	0.05% (b)
3	Common	4,949,161,208	56.91%	12.75%	7.26%	7.26%	11.65% (c)
4	Total	8,695,813,810	100.00%		9.55%	8.70%	13.96%
5							
6	After Tax Cost of Debt						
7	Wgt'd Debt Component				2.26%		
8	PEC Composite Income Tax Rate				37.68% (d)		
9	Federal Income Tax Amount				0.85%		
10							
11	After Tax Debt Cost Component				1.41% (a)		
12							
13	Incremental Tax Rate						
14	Pretax Debt Component				2.26%		
15	After-Tax Debt Component				1.41%		
16	After Tax Percent of Pretax Amt				62.32%		
17	Effective Incremental Tax Rate						
18	(1 - After Tax Percent of Pretax)				37.68% (d)		
19							
20	Pre Tax Cost of Equity						
21	Wgt'd Common Equity Component					7.26%	
22	Wgt'd Preferred Component				0.03%		
23	Total Equity					7.26%	
24	After Tax Percent of Pretax Amt				62.32%	62.32%	
25	Pre Tax Cost of Equity						
26	(Pre Tax Cost of Equity / After Tax Percent of Pretax Amt)				0.05% (b)	11.65% (c)	
27							
28							
29	Composite Income Tax Rate						
30							
31	Jurisdiction			Without Section 199		With Section 199	
32	Federal			32.7355%		32.7355%	
33	North Carolina					-1.52555%	
34	South Carolina			5.8400%		5.8400%	
				0.6300%		0.6300%	
35	PEC Composite Income Tax Rate			39.2055% (d)		37.6800% (d)	
36							
37				FERC Form 1			
				Page 112			
38	Common Stock			Line 1	1,759,809,101		
39	Other Paid In Capital			Line 7	348,539,195		
40	Retained Earnings			Line 11	2,867,799,632		
41	Accumulated Other Comprehensive Income			Line 15	(26,986,720)		
42	Total Common Equity				4,949,161,208		
43	Long Term Debt			Line 24	3,687,318,619		
44	Preferred Stock			Line 2	59,333,982		

See
Lines 39
thru 44

W/P C-1A

PROGRESS ENERGY CAROLINAS, INC.

DSDR Input Data

	Jul-10 Projection	Aug-10 Projection	Sep-10 Projection	Oct-10 Projection	Nov-10 Projection	Dec-10 Projection	Jan-11 Projection	Feb-11 Projection	Mar-11 Projection	Apr-11 Projection	May-11 Projection	Jun-11 Projection	SC Rate Period
O&M Expense	320,625.56	506,328.03	327,750.46	330,219.10	333,501.87	382,137.73	407,369.76	409,220.98	413,976.42	410,749.20	424,320.18	424,950.99	4,691,150.28
Capital Expenditures	6,649,889.96	6,241,610.67	4,637,364.29	5,572,524.00	6,274,131.14	7,978,064.06	5,187,604.15	5,373,649.83	5,594,109.55	5,515,563.91	6,763,962.67	5,724,051.34	71,512,525.57
Distribution	4,509,512.86	4,041,153.57	3,311,727.93	4,101,740.80	3,459,430.20	3,313,417.01	4,098,265.37	4,186,442.07	4,296,765.46	4,238,482.63	4,096,205.93	4,449,709.16	48,102,852.99
Communication	596,858.39	529,667.31	626,720.56	1,204,676.82	1,823,756.98	2,302,811.00	943,262.88	979,928.86	1,085,035.45	1,027,031.84	955,918.50	1,080,443.93	13,156,112.51
Software.Hardware	1,543,518.71	1,670,789.79	698,915.80	266,106.37	990,943.97	2,361,836.06	146,075.90	207,278.91	212,308.64	250,049.44	1,711,838.23	193,898.25	10,253,560.07
Total	6,649,889.96	6,241,610.67	4,637,364.29	5,572,524.00	6,274,131.14	7,978,064.06	5,187,604.15	5,373,649.83	5,594,109.55	5,515,563.91	6,763,962.67	5,724,051.34	71,512,525.57
Plant In Service Additions	8,663,706.01	4,570,820.88	3,938,448.49	5,306,417.62	5,283,187.17	5,616,228.00	5,041,528.25	5,166,370.93	5,381,800.91	5,265,514.47	5,052,124.44	5,530,153.09	64,816,300.26
Distribution	4,509,512.86	4,041,153.57	3,311,727.93	4,101,740.80	3,459,430.20	3,313,417.01	4,098,265.37	4,186,442.07	4,296,765.46	4,238,482.63	4,096,205.93	4,449,709.16	48,102,852.99
Communication	596,858.39	529,667.31	626,720.56	1,204,676.82	1,823,756.98	2,302,811.00	943,262.88	979,928.86	1,085,035.45	1,027,031.84	955,918.50	1,080,443.93	13,156,112.51
Software.Hardware	3,291,836.19	-	-	-	-	-	-	-	-	-	-	-	3,291,836.19
Software.AFUDC	265,498.57	-	-	-	-	-	-	-	-	-	-	-	265,498.57
Chk Total	8,663,706.01	4,570,820.88	3,938,448.49	5,306,417.62	5,283,187.17	5,616,228.00	5,041,528.25	5,166,370.93	5,381,800.91	5,265,514.47	5,052,124.44	5,530,153.09	64,816,300.26
Cumulative Plant In Service Additions	25,324,250.58	29,895,071.45	33,833,519.94	39,139,937.56	44,423,124.74	50,039,352.74	55,080,880.99	60,247,251.92	65,629,052.83	70,894,567.30	75,946,691.73	81,476,844.82	81,476,844.82
Distribution	18,845,432.87	22,886,586.44	26,198,314.37	30,300,055.17	33,759,485.37	37,072,902.38	41,171,167.75	45,357,609.81	49,654,375.28	53,892,857.91	57,989,063.84	62,438,773.00	62,438,773.00
Communication	2,921,482.94	3,451,150.25	4,077,870.81	5,282,547.63	7,106,304.61	9,409,115.61	10,352,378.49	11,332,307.35	12,417,342.80	13,444,374.64	14,400,293.14	15,480,737.07	15,480,737.07
Software.Hardware	3,291,836.19	3,291,836.19	3,291,836.19	3,291,836.19	3,291,836.19	3,291,836.19	3,291,836.19	3,291,836.19	3,291,836.19	3,291,836.19	3,291,836.19	3,291,836.19	3,291,836.19
Software.AFUDC	265,498.57	265,498.57	265,498.57	265,498.57	265,498.57	265,498.57	265,498.57	265,498.57	265,498.57	265,498.57	265,498.57	265,498.57	265,498.57
Chk Total	25,324,250.58	29,895,071.45	33,833,519.94	39,139,937.56	44,423,124.74	50,039,352.74	55,080,880.99	60,247,251.92	65,629,052.83	70,894,567.30	75,946,691.73	81,476,844.82	81,476,844.82
Book Depreciation on Additions													
Distribution @ 2.75%	43,187.45	52,448.43	60,037.80	69,437.63	77,365.49	84,958.73	94,350.59	103,944.52	113,791.28	123,504.47	132,891.60	143,088.85	1,099,006.84
Communication @ 5.41%	13,171.02	15,558.94	18,384.40	23,815.49	32,037.59	42,419.43	46,671.97	51,089.82	55,981.52	60,611.72	64,921.32	69,792.32	494,455.54
Software.Hardware @ 20%	54,863.94	54,863.94	54,863.94	54,863.94	54,863.94	54,863.94	54,863.94	54,863.94	54,863.94	54,863.94	54,863.94	54,863.94	658,367.28
Software.AFUDC @ 20%	4,424.98	4,424.98	4,424.98	4,424.98	4,424.98	4,424.98	4,424.98	4,424.98	4,424.98	4,424.98	4,424.98	4,424.98	53,099.76
Total	115,647.39	127,296.29	137,711.12	152,542.04	168,692.00	186,667.08	200,311.48	214,323.26	229,061.72	243,405.11	257,101.84	272,170.09	2,304,929.42
Baseline	151,956.07	151,956.07	151,956.07	151,956.07	151,956.07	151,956.07	151,956.07	151,956.07	151,956.07	151,956.07	151,956.07	151,956.07	1,823,472.84
Total with Baseline	267,603.46	279,252.36	289,667.19	304,498.11	320,648.07	338,623.15	352,267.55	366,279.33	381,017.79	395,361.18	409,057.91	424,126.16	4,128,402.26
Current Additions net of AFUDC	111,222.41	122,871.31	133,286.14	148,117.06	164,267.02	182,242.10	195,886.50	209,898.28	224,636.74	238,980.13	252,676.86	267,745.11	2,251,829.66
Tax Depreciation on Additions													
Distribution 20-Yr MACRS (WP C-3)	95,945.06	126,253.71	157,301.16	208,572.92	273,437.24	397,690.37	235,831.48	250,103.44	266,216.31	283,876.66	303,077.62	326,915.35	2,925,221.32
Communication 7-Yr MACRS (WP C-3)	56,071.69	71,209.58	93,599.17	150,981.95	281,289.38	610,361.07	203,257.06	215,987.22	231,492.38	247,799.36	264,874.46	286,930.95	2,713,854.27
Software.Hardware 3-Yr SL	91,440.00	91,440.00	91,440.00	91,440.00	91,440.00	91,440.00	91,440.00	91,440.00	91,440.00	91,440.00	91,440.00	91,440.00	1,097,280.00
Total	243,456.75	288,903.29	342,340.33	450,994.87	646,166.62	1,099,491.44	530,528.54	557,530.66	589,148.69	623,116.02	659,392.08	705,286.30	6,736,355.59
Deferred Inc Tax on Prior Additions	76,231.91	76,231.91	76,231.91	76,231.91	76,231.91	76,231.91	76,597.31	76,597.31	76,597.30	76,597.30	76,597.29	76,597.29	916,975.25
AFUDC	71,996.49	57,910.11	67,230.83	71,353.89	76,602.99	89,750.43	99,828.23	101,902.02	104,239.74	106,755.38	114,913.13	122,921.49	1,085,404.73
Construction Period Interest													
Software.Hardware CWIP	6,372,025.61	8,042,815.40	8,741,731.20	9,007,837.57	9,998,781.54	12,360,617.59	12,506,693.50	12,713,972.41	12,926,281.05	13,176,330.49	14,888,168.72	15,082,066.96	15,082,066.96
Construction Period Interest Rate	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	
Construction Period Interest	25,819.00	32,588.92	35,420.88	36,499.13	40,514.36	50,084.36	50,676.25	51,516.13	52,376.39	53,389.57	60,325.82	61,111.48	550,322.28

Tax Depreciation Rates on DSDR - Distribution Plant

20-YR MACRS	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
Apr-10	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%
May-10	0.0000%	0.4688%	0.4688%	0.4688%	0.4688%	0.4688%	0.4688%	0.4688%	0.4688%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%
Jun-10	0.0000%	0.0000%	0.5357%	0.5357%	0.5357%	0.5357%	0.5357%	0.5357%	0.5357%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%
Jul-10	0.0000%	0.0000%	0.0000%	0.6250%	0.6250%	0.6250%	0.6250%	0.6250%	0.6250%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%
Aug-10	0.0000%	0.0000%	0.0000%	0.0000%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%
Sep-10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.9375%	0.9375%	0.9375%	0.9375%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%
Oct-10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.2500%	1.2500%	1.2500%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%
Nov-10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.8750%	1.8750%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%
Dec-10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	3.7500%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%	0.6016%
Jan-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.3125%	0.3125%	0.3125%	0.3125%	0.3125%	0.3125%
Feb-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.3409%	0.3409%	0.3409%	0.3409%	0.3409%
Mar-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.3750%	0.3750%	0.3750%	0.3750%
Apr-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.4167%	0.4167%	0.4167%
May-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.4688%	0.4688%
Jun-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.5357%

Tax Depreciation on DSDR - Distribution Plant

Distribution	Amts =>Svc	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
Apr-10	4,885,895	20,358	20,358	20,358	20,358	20,358	20,358	20,358	20,358	20,358	29,393	29,393	29,393	29,393	29,393	29,393
May-10	4,812,158	-	22,557	22,557	22,557	22,557	22,557	22,557	22,557	22,557	28,949	28,949	28,949	28,949	28,949	28,949
Jun-10	4,637,867	-	-	24,846	24,846	24,846	24,846	24,846	24,846	24,846	27,901	27,901	27,901	27,901	27,901	27,901
Jul-10	4,509,513	-	-	-	28,184	28,184	28,184	28,184	28,184	28,184	27,128	27,128	27,128	27,128	27,128	27,128
Aug-10	4,041,154	-	-	-	-	30,309	30,309	30,309	30,309	30,309	24,311	24,311	24,311	24,311	24,311	24,311
Sep-10	3,311,728	-	-	-	-	-	31,047	31,047	31,047	31,047	19,923	19,923	19,923	19,923	19,923	19,923
Oct-10	4,101,741	-	-	-	-	-	-	51,272	51,272	51,272	24,675	24,675	24,675	24,675	24,675	24,675
Nov-10	3,459,430	-	-	-	-	-	-	-	64,864	64,864	20,811	20,811	20,811	20,811	20,811	20,811
Dec-10	3,313,417	-	-	-	-	-	-	-	-	124,253	19,933	19,933	19,933	19,933	19,933	19,933
Jan-11	4,098,265	-	-	-	-	-	-	-	-	-	12,807	12,807	12,807	12,807	12,807	12,807
Feb-11	4,186,442	-	-	-	-	-	-	-	-	-	-	14,272	14,272	14,272	14,272	14,272
Mar-11	4,296,765	-	-	-	-	-	-	-	-	-	-	-	16,113	16,113	16,113	16,113
Apr-11	4,238,483	-	-	-	-	-	-	-	-	-	-	-	-	17,660	17,660	17,660
May-11	4,096,206	-	-	-	-	-	-	-	-	-	-	-	-	-	19,201	19,201
Jun-11	4,449,709	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,838
Total	76,651,316	20,358	42,915	67,761	95,945	126,254	157,301	208,573	273,437	397,690	235,831	250,103	266,216	283,877	303,078	326,915

Tax Depreciation Rates on DSDR - Communications Equipment

7-YR MACRS	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
Apr-10	1.5878%	1.5878%	1.5878%	1.5878%	1.5878%	1.5878%	1.5878%	1.5878%	1.5878%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%
May-10	0.0000%	1.7863%	1.7863%	1.7863%	1.7863%	1.7863%	1.7863%	1.7863%	1.7863%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%
Jun-10	0.0000%	0.0000%	2.0414%	2.0414%	2.0414%	2.0414%	2.0414%	2.0414%	2.0414%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%
Jul-10	0.0000%	0.0000%	0.0000%	2.3817%	2.3817%	2.3817%	2.3817%	2.3817%	2.3817%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%
Aug-10	0.0000%	0.0000%	0.0000%	0.0000%	2.8580%	2.8580%	2.8580%	2.8580%	2.8580%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%
Sep-10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	3.5725%	3.5725%	3.5725%	3.5725%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%
Oct-10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	4.7633%	4.7633%	4.7633%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%
Nov-10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.1450%	7.1450%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%
Dec-10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	14.2900%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%	2.0408%
Jan-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.1908%	1.1908%	1.1908%	1.1908%	1.1908%	1.1908%
Feb-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.2991%	1.2991%	1.2991%	1.2991%	1.2991%
Mar-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.4290%	1.4290%	1.4290%	1.4290%
Apr-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.5878%	1.5878%	1.5878%
May-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.7863%	1.7863%
Jun-11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	2.0414%

Tax Depreciation on DSDR - Communications Equipment

Comm Equip	Amts =>Svc	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
Apr-10	720,954	11,447	11,447	11,447	11,447	11,447	11,447	11,447	11,447	11,447	14,713	14,713	14,713	14,713	14,713	14,713
May-10	912,468	-	16,299	16,299	16,299	16,299	16,299	16,299	16,299	16,299	18,622	18,622	18,622	18,622	18,622	18,622
Jun-10	691,202	-	-	14,110	14,110	14,110	14,110	14,110	14,110	14,110	14,106	14,106	14,106	14,106	14,106	14,106
Jul-10	596,858	-	-	-	14,215	14,215	14,215	14,215	14,215	14,215	12,181	12,181	12,181	12,181	12,181	12,181
Aug-10	529,667	-	-	-	-	15,138	15,138	15,138	15,138	15,138	10,810	10,810	10,810	10,810	10,810	10,810
Sep-10	626,721	-	-	-	-	-	22,390	22,390	22,390	22,390	12,790	12,790	12,790	12,790	12,790	12,790
Oct-10	1,204,677	-	-	-	-	-	-	57,383	57,383	57,383	24,585	24,585	24,585	24,585	24,585	24,585
Nov-10	1,823,757	-	-	-	-	-	-	-	130,307	130,307	37,220	37,220	37,220	37,220	37,220	37,220
Dec-10	2,302,811	-	-	-	-	-	-	-	-	329,072	46,997	46,997	46,997	46,997	46,997	46,997
Jan-11	943,263	-	-	-	-	-	-	-	-	-	11,233	11,233	11,233	11,233	11,233	11,233
Feb-11	979,929	-	-	-	-	-	-	-	-	-	-	12,730	12,730	12,730	12,730	12,730
Mar-11	1,085,035	-	-	-	-	-	-	-	-	-	-	-	15,505	15,505	15,505	15,505
Apr-11	1,027,032	-	-	-	-	-	-	-	-	-	-	-	-	16,307	16,307	16,307
May-11	955,919	-	-	-	-	-	-	-	-	-	-	-	-	-	17,075	17,075
Jun-11	1,080,444	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,056
Jul-11	1,017,179	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	20,435,819	11,447	27,746	41,857	56,072	71,210	93,599	150,982	281,289	610,361	203,257	215,987	231,492	247,799	264,874	286,931

Workpapers

Section D – Determination of Utility Incentives

Progress Energy Carolinas, Inc.

Calculation of Program Performance Incentives

2009 Vintage

		CIG DR	EnergyWise™	Residential Home Advantage	Residential Home Energy Improvement	Residential Lighting Program	Residential Appliance Recycling	CIG Energy Efficiency
1	Present Value of Avoided Costs	\$ -	\$ 20,728,515	\$ 1,031,108	\$ 5,879,717	\$ -	\$ -	\$ 13,300,000
2	Present Value of Program Costs	310,157	8,101,137	691,574	2,809,135	248,652	55,941	3,372,021
3	Net Program Benefits	\$ -	\$ 12,627,378	\$ 339,534	\$ 3,070,582	\$ -	\$ -	\$ 9,927,980
4	SC Allocation Factor	Line C 13.65%	13.65%	15.02%	15.02%	15.02%	15.02%	15.02%
5	SC Allocated Utility Cost Test	Lines 3 X 4	\$ -	\$ 1,723,637	\$ 51,014	\$ 461,342	\$ -	\$ 1,491,637
6	DSM Program Incentive at 8%	Lines 5 X 8%	\$ -	\$ 137,891				
7	EE Program Incentive at 13%	Lines 5 X 13%		\$ 6,632	\$ 59,974	\$ -	\$ -	\$ 193,913
8	Program Performance Incentive (PPI)	Lines 6 + 7	\$ -	\$ 137,891	\$ 6,632	\$ 59,974	\$ -	\$ 193,913
9	Income Tax Rate	WP D-1C	37.68%	37.68%	37.68%	37.68%	37.68%	37.68%
10	Income Taxes	-(Lines 8 X 9)	\$ -	\$ (51,957)	\$ (2,499)	\$ (22,598)	\$ -	\$ (73,066)
11	Net-of-Tax PPI - Total NPV	Lines 9 + 10	\$ -	\$ 85,934	\$ 4,133	\$ 37,376	\$ -	\$ 120,847
12	Vintage Year 2009 - Year 1 PPI	$\frac{\text{Line 9} \times 0.089234 \times (1 + 0.089234)^{10}}{(1 + 0.089234)^{10} - 1}$	\$ -	\$ 13,345	\$ 642	\$ 5,804	\$ -	\$ 18,767
13	Income Tax Gross-Up Factor	1 - Line 9	62.32%	62.32%	62.32%	62.32%	62.32%	62.32%
14	Adjusted PPI	Line 12 / Line 13	\$ -	\$ 21,414	\$ 1,030	\$ 9,314	\$ -	\$ 30,114
15	PPI Values for Test Period	Line 14	\$ -	\$ 21,414	\$ 1,030	\$ 9,314	\$ -	\$ 30,114

2010 Vintage

		CIG DR	EnergyWise™	Residential Home Advantage	Residential Home Energy Improvement	Residential Lighting Program	Residential Appliance Recycling	CIG Energy Efficiency
1	Present Value of Avoided Costs	\$ 14,477,952	\$ 61,722,066	\$ 2,361,011	\$ 12,559,034	\$ 28,224,032	\$ 2,426,505	\$ 30,025,708
2	Present Value of Program Costs	5,481,121	19,073,191	1,062,635	5,230,099	5,160,560	1,183,128	8,081,783
3	Net Program Benefits	\$ 8,996,831	\$ 42,648,876	\$ 1,298,376	\$ 7,328,936	\$ 23,063,471	\$ 1,243,378	\$ 21,943,926
4	SC Allocation Factor	Line F 14.02%	14.02%	14.71%	14.71%	14.71%	14.71%	14.71%
5	SC Allocated Utility Cost Test	Lines 3 X 4	\$ 1,261,356	\$ 5,979,372	\$ 190,948	\$ 1,077,842	\$ 3,391,868	\$ 182,859
6	DSM Program Incentive at 8%	Lines 5 X 8%	\$ 100,908	\$ 478,350				
7	EE Program Incentive at 13%	Lines 5 X 13%		\$ 24,823	\$ 140,119	\$ 440,943	\$ 23,772	\$ 419,539
8	Program Performance Incentive (PPI)	Lines 6 + 7	\$ 100,908	\$ 478,350	\$ 24,823	\$ 140,119	\$ 440,943	\$ 23,772
9	Income Tax Rate	WP D-1C	37.68%	37.68%	37.68%	37.68%	37.68%	37.68%
10	Income Taxes	-(Lines 8 X 9)	\$ (38,022)	\$ (180,242)	\$ (9,353)	\$ (52,797)	\$ (166,147)	\$ (8,957)
11	Net-of-Tax PPI - Total NPV	Lines 9 + 10	\$ 62,886	\$ 298,108	\$ 15,470	\$ 87,323	\$ 274,796	\$ 14,815
12	Vintage Year 2010 - Year 2 PPI	$\frac{\text{Line 9} \times 0.089234 \times (1 + 0.089234)^{10}}{(1 + 0.089234)^{10} - 1}$	\$ 9,766	\$ 46,295	\$ 2,402	\$ 13,561	\$ 42,674	\$ 2,301
13	Income Tax Gross-Up Factor	1 - Line 9	62.32%	62.32%	62.32%	62.32%	62.32%	62.32%
14	Adjusted PPI	Line 12 / Line 13	\$ 15,671	\$ 74,285	\$ 3,855	\$ 21,760	\$ 68,476	\$ 3,692
15	2009 Vintage PPI	Line 15 from 2009 Analysis	\$ -	\$ 21,414	\$ 1,030	\$ 9,314	\$ -	\$ -
16	PPI Values for Rate Period	Lines 14 + 15	\$ 15,671	\$ 95,699	\$ 4,885	\$ 31,074	\$ 68,476	\$ 3,692

Allocation Factors

A	01-2009 thru 04-2009	2008 Cost of Service	13.27%	13.27%	15.19%	15.19%	15.19%	15.19%
B	05-2009 thru 12-2009	WP B-4	13.84%	13.84%	14.94%	14.94%	14.94%	14.94%
C	Weighted Allocation	(Line A x 4 + Line B x 8) / 12	13.65%	13.65%	15.02%	15.02%	15.02%	15.02%
D	01-2010 thru 04-2010	2008 Cost of Service	13.84%	13.84%	14.94%	14.94%	14.94%	14.94%
E	05-2010 thru 12-2010	WP B-4	14.11%	14.11%	14.59%	14.59%	14.59%	14.59%
F	Weighted Allocation	(Line D x 4 + Line B x 8) / 12	14.02%	14.02%	14.71%	14.71%	14.71%	14.71%

Note: PPI level for CFL Pilot Program established in Docket No. 2009-191-E.

Progress Energy Carolinas, Inc.

Calculation of Program Performance Incentives (Costs)

	Actual Values												Adjusted 2009 Tot
	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	
CIG DR	13,175	24,690	18,170	14,205	25,340	12,251	12,006	7,568	12,865	61,805	72,430	35,652	310,157
EnergyWiseTM	17,303	33,957	80,872	793,133	175,187	440,430	139,795	496,078	975,202	753,983	352,056	386,814	8,101,137
Residential Home Advantage	20,174	70,491	70,566	45,727	73,537	41,955	59,683	41,776	65,079	77,369	68,299	56,917	691,574
Residential Home Energy Improvement	19,955	30,983	205,248	(99,229)	83,281	168,383	39,564	237,496	484,454	667,312	437,875	533,815	2,809,135
Residential Lighting Program	-	455	(9,059)	4,519	-	(12,750)	17,123	30,138	19,613	64,317	63,357	70,939	248,652
Residential Appliance Recycling	-	-	-	-	-	-	-	2,838	12,085	18,119	11,912	10,988	55,941
CIG Energy Efficiency	50,430	111,685	65,855	28,974	90,191	218,658	230,255	401,127	481,662	190,085	674,730	828,368	3,372,021

	Actual Values			Estimated Values									Adjusted 2010 Tot
	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	
CIG DR	39,954	45,055	45,289	177,860	163,124	142,755	136,472	180,500	123,721	132,431	91,781	68,641	5,481,121
EnergyWiseTM	748,384	954,698	981,637	586,357	635,655	686,165	1,487,550	721,079	683,079	603,935	1,210,984	558,819	19,073,191
Residential Home Advantage	66,730	61,004	73,801	97,666	93,738	101,738	103,738	103,738	97,538	97,666	83,738	81,538	1,062,635
Residential Home Energy Improvement	612,332	526,301	522,743	400,927	395,267	395,267	395,267	395,267	395,267	400,927	395,267	395,267	5,230,099
Residential Lighting Program	89,861	293,269	523,984	512,144	461,308	445,933	430,558	430,558	476,683	512,144	507,433	476,683	5,160,560
Residential Appliance Recycling	10,398	8,254	13,778	116,013	113,819	121,319	131,734	131,734	132,984	137,677	132,983	132,433	1,183,128
CIG Energy Efficiency	431,407	506,009	331,975	776,061	751,467	751,467	751,467	751,467	751,467	776,061	751,467	751,467	8,081,783

Progress Energy Carolinas, Inc.

Calculation of Program Performance Incentives (Adjustments)

Year	CIG DR ¹	EnergyWise ²	
		Vintage 1	Vintage 2
2010	-	297,859	-
2011	389,813	297,859	897,094
2012	389,813	297,859	897,094
2013	389,813	297,859	897,094
2014	389,813	297,859	897,094
2015	389,813	297,859	897,094
2016	389,813	297,859	897,094
2017	389,813	297,859	897,094
2018	389,813	297,859	897,094
2019	389,813	297,859	897,094
2020	389,813	297,859	897,094
2021	389,813	297,859	897,094
2022	389,813	297,859	897,094
2023	389,813	297,859	897,094
2024	389,813	297,859	897,094
2025	389,813	297,859	897,094
2026	389,813	297,859	897,094
2027	389,813	297,859	897,094
2028	389,813	297,859	897,094
2029	389,813	297,859	897,094
2030	389,813	297,859	897,094
2031	389,813	297,859	897,094
2032	389,813	297,859	897,094
2033	389,813	297,859	897,094
2034	389,813	297,859	897,094
2035	389,813	297,859	897,094
2036	389,813	297,859	897,094
2037	389,813	297,859	897,094
2038	389,813	297,859	897,094
Nominal	10,914,750	8,637,904	25,118,625
Net Present Value	4,133,540	3,456,329	9,512,709
(Discount Rate = 8.46%)		Less: Vintage 1 Part Incentives	
Total Adjustments		3,456,329	297,859 ³
		3,456,329	9,214,850

¹ Ongoing payments to participant at rate of \$45 per kW per year plus 5% M&V Adder.

² Ongoing payments to participant at rate of \$25 per year plus 5% M&V Adder.

³ Removal of 2010 participant Incentives (w/M&V Adder) associated with Vintage Period 1 installations.

Progress Energy Carolinas, Inc.

SC Calculation Tax and Return Related Input Factors

	Component	Percent	Rate	Wgt'd Rate	Net of Tax Wgt'd Cost	Pre Tax Wgt'd Cost
1	Debt	47.82%	8.62%	4.1221%	2.5689% (a)	4.1221%
2	Preferred	7.46%	8.75%	0.6528%	0.6528%	1.0474% (b)
3	Common	44.72%	12.75%	5.7018%	5.7018%	9.1492% (c)
4	Total	100.00%		10.4766%	8.9234%	14.3187%
5						
6	After Tax Cost of Debt					
7	Wgt'd Debt Component				4.1221%	
8	PEC Composite Income Tax Rate				37.6800% (d)	
9	Federal Income Tax Amount				1.5532%	
10						
11	After Tax Debt Cost Component				2.5689% (a)	
12						
13	Incremental Tax Rate					
14	Pretax Debt Component				4.1221%	
15	After-Tax Debt Component				2.5689%	
16	After Tax Percent of Pretax Amt				62.3200%	
17	Effective Incremental Tax Rate					
18	(1 - After Tax Percent of Pretax)				37.6800% (d)	
19						
20	Pre Tax Cost of Equity					
21	Wgt'd Common Equity Component					5.7018%
22	Wgt'd Preferred Component				0.6528%	
23	Total Equity					5.7018%
24	After Tax Percent of Pretax Amt				62.3200%	62.3200%
25	Pre Tax Cost of Equity					
26	(Pre Tax Cost of Equity / After Tax Percent of Pretax Amt)				1.0474% (b)	9.1492% (c)
27						
28						
29	Composite Income Tax Rate					
30						
31	Jurisdiction			Without Section 199		With Section 199
32	Federal [35% x (1-Composite State)]			32.7355%		32.7355%
33	Adjustment for Section 199 Federal Tax Credit					-1.52555%
34	Adjusted Federal Tax Rate (Line 32 + Line 33)			32.7355%		31.2099%
35	North Carolina			5.8400%		5.8400%
36	South Carolina			0.6300%		0.6300%
37	PEC Composite Income Tax Rate			39.2055%		37.6800% (d)

To W/P
D-1

PROGRAM: PEC Residential EnergyWise™ - Vintage Year-1

YEAR	BENEFITS			
	(1)	(2)	(3)	(4)
	TOTAL FUEL & O&M SAVINGS \$(000)	AVOIDED T&D CAP. COSTS \$(000)	AVOIDED GEN. CAP. COSTS \$(000)	TOTAL BENEFITS \$(000)
2009	107	0	1,217	1,323
2010	96	0	1,253	1,349
2011	104	0	1,291	1,395
2012	103	0	1,329	1,432
2013	106	0	1,369	1,475
2014	110	0	1,410	1,520
2015	120	0	1,453	1,572
2016	132	0	1,496	1,628
2017	162	0	1,541	1,703
2018	153	0	1,587	1,740
2019	130	0	1,635	1,765
2020	129	0	1,684	1,813
2021	147	0	1,734	1,881
2022	174	0	1,786	1,960
2023	191	0	1,840	2,031
2024	208	0	1,895	2,103
2025	200	0	1,952	2,152
2026	202	0	2,011	2,212
2027	214	0	2,071	2,285
2028	202	0	2,133	2,335
2029	199	0	2,197	2,396
2030	205	0	2,263	2,468
2031	211	0	2,331	2,542
2032	224	0	2,401	2,625
2033	235	0	2,473	2,708
2034	256	0	2,547	2,803
2035	253	0	2,623	2,876
2036	264	0	2,702	2,966
2037	271	0	2,783	3,054
2038	267	0	2,867	3,134
<hr/>				
NOMINAL	5,374	0	57,876	63,249
<hr/>				
NPV	1,695	0	19,034	20,729
<hr/>				
Present Value of Avoided Costs			<i>i=8.46%</i>	20,728,515

PROGRAM: PEC Residential Home Advantage - Vintage Year-1

YEAR	BENEFITS			
	(1)	(2)	(3)	(4)
	TOTAL FUEL & O&M SAVINGS \$(000)	AVOIDED T&D CAP. COSTS \$(000)	AVOIDED GEN. CAP. COSTS \$(000)	TOTAL BENEFITS \$(000)
2009	29	13	16	58
2010	40	13	17	70
2011	43	14	17	74
2012	45	14	18	77
2013	58	14	18	91
2014	60	15	19	94
2015	65	15	19	99
2016	68	16	20	104
2017	74	16	21	111
2018	80	17	21	118
2019	79	17	22	118
2020	74	17	22	114
2021	77	18	23	118
2022	84	18	24	126
2023	88	19	25	132
2024	94	19	25	139
2025	99	20	26	144
2026	108	20	27	155
2027	113	21	28	162
2028	124	22	28	174
2029	0	0	0	0
2030	0	0	0	0
2031	0	0	0	0
2032	0	0	0	0
2033	0	0	0	0
2034	0	0	0	0
2035	0	0	0	0
2036	0	0	0	0
2037	0	0	0	0
2038	0	0	0	0
NOMINAL	1,502	338	435	2,276
NPV	662	162	207	1,031
Present Value of Avoided Costs			<i>i=8.46%</i>	1,031,108

PROGRAM: PEC Residential Home Energy Improvement - Vintage Year

YEAR	BENEFITS			
	(1)	(2)	(3)	(4)
	TOTAL FUEL & O&M SAVINGS \$(000)	AVOIDED T&D CAP. COSTS \$(000)	AVOIDED GEN. CAP. COSTS \$(000)	TOTAL BENEFITS \$(000)
2009	223	179	228	630
2010	293	185	235	713
2011	317	192	242	750
2012	192	107	134	433
2013	241	110	138	488
2014	255	113	142	510
2015	275	116	147	537
2016	290	119	151	560
2017	316	122	155	593
2018	346	125	160	631
2019	330	129	165	624
2020	308	132	170	610
2021	324	136	175	635
2022	360	140	180	680
2023	383	143	186	712
2024	224	72	94	391
2025	236	74	97	407
2026	257	76	100	433
2027	131	33	44	208
2028	140	34	45	220
2029	0	0	0	0
2030	0	0	0	0
2031	0	0	0	0
2032	0	0	0	0
2033	0	0	0	0
2034	0	0	0	0
2035	0	0	0	0
2036	0	0	0	0
2037	0	0	0	0
2038	0	0	0	0
NOMINAL	5,441	2,337	2,987	10,766
NPV	2,820	1,346	1,713	5,880
Present Value of Avoided Costs			<i>i=8.46%</i>	5,879,717

PROGRAM: PEC CIG Energy Efficiency Business - Vintage Year-1

YEAR	BENEFITS			
	(1)	(2)	(3)	(4)
	TOTAL FUEL & O&M SAVINGS \$(000)	AVOIDED T&D CAP. COSTS \$(000)	AVOIDED GEN. CAP. COSTS \$(000)	TOTAL BENEFITS \$(000)
2009	628	196	249	1,074
2010	848	203	257	1,308
2011	910	210	265	1,385
2012	937	217	273	1,427
2013	1,194	223	281	1,697
2014	1,244	229	289	1,762
2015	1,348	235	298	1,881
2016	1,424	241	307	1,973
2017	1,525	248	316	2,089
2018	1,646	255	325	2,226
2019	1,611	261	335	2,207
2020	1,537	268	345	2,150
2021	18	5	6	29
2022	19	5	7	31
2023	14	4	6	25
2024	0	0	0	0
2025	0	0	0	0
2026	0	0	0	0
2027	0	0	0	0
2028	0	0	0	0
2029	0	0	0	0
2030	0	0	0	0
2031	0	0	0	0
2032	0	0	0	0
2033	0	0	0	0
2034	0	0	0	0
2035	0	0	0	0
2036	0	0	0	0
2037	0	0	0	0
2038	0	0	0	0
NOMINAL	14,904	2,801	3,558	21,263
NPV	9,195	1,809	2,295	13,300
Present Value of Avoided Costs			<i>i=8.46%</i>	\$ 13,300,000

PROGRAM: PEC CIG Demand Response - Vintage Year-1

YEAR	BENEFITS			
	(1)	(2)	(3)	(4)
	TOTAL FUEL & O&M SAVINGS \$(000)	AVOIDED T&D CAP. COSTS \$(000)	AVOIDED GEN. CAP. COSTS \$(000)	TOTAL BENEFITS \$(000)
2009	0	0	0	0
2010	87	0	834	921
2011	85	0	859	944
2012	84	0	885	969
2013	97	0	912	1,008
2014	103	0	939	1,042
2015	113	0	967	1,080
2016	123	0	996	1,119
2017	152	0	1,026	1,178
2018	140	0	1,057	1,197
2019	122	0	1,088	1,210
2020	114	0	1,121	1,235
2021	139	0	1,155	1,294
2022	159	0	1,189	1,348
2023	174	0	1,225	1,399
2024	184	0	1,262	1,446
2025	187	0	1,300	1,486
2026	195	0	1,339	1,534
2027	208	0	1,379	1,587
2028	201	0	1,420	1,621
2029	200	0	1,463	1,662
2030	208	0	1,507	1,714
2031	212	0	1,552	1,764
2032	224	0	1,598	1,822
2033	245	0	1,646	1,891
2034	257	0	1,696	1,953
2035	263	0	1,747	2,010
2036	276	0	1,799	2,075
2037	283	0	1,853	2,136
2038	286	0	1,909	2,195
<hr/>				
NOMINAL	5,119	0	37,720	42,839
NPV	1,613	0	12,865	14,478
<hr/>				
Present Value of Avoided Costs			<i>i=8.46%</i>	\$ 14,477,952

PROGRAM: PEC Residential EnergyWise™ - Vintage Year-2

YEAR	BENEFITS			
	(1)	(2)	(3)	(4)
	TOTAL FUEL & O&M SAVINGS \$(000)	AVOIDED T&D CAP. COSTS \$(000)	AVOIDED GEN. CAP. COSTS \$(000)	TOTAL BENEFITS \$(000)
2009	0	0	0	0
2010	315	0	3,673	3,988
2011	301	0	3,783	4,084
2012	321	0	3,897	4,218
2013	317	0	4,013	4,330
2014	312	0	4,134	4,446
2015	332	0	4,258	4,590
2016	266	0	4,386	4,652
2017	422	0	4,517	4,939
2018	509	0	4,653	5,162
2019	368	0	4,792	5,160
2020	407	0	4,936	5,343
2021	453	0	5,084	5,537
2022	520	0	5,237	5,756
2023	569	0	5,394	5,962
2024	599	0	5,556	6,155
2025	599	0	5,722	6,321
2026	621	0	5,894	6,515
2027	626	0	6,071	6,697
2028	623	0	6,253	6,875
2029	620	0	6,440	7,060
2030	629	0	6,634	7,262
2031	651	0	6,833	7,483
2032	684	0	7,038	7,721
2033	700	0	7,249	7,949
2034	764	0	7,466	8,230
2035	758	0	7,690	8,448
2036	770	0	7,921	8,691
2037	801	0	8,159	8,959
2038	787	0	8,403	9,190
NOMINAL	15,642	0	166,083	181,725
NPV	5,076	0	56,646	61,722
Present Value of Avoided Costs			<i>i=8.46%</i>	61,722,066

PROGRAM: PEC Residential Home Advantage - Vintage Year-2

YEAR	BENEFITS			
	(1)	(2)	(3)	(4)
	TOTAL FUEL & O&M SAVINGS	AVOIDED T&D CAP. COSTS	AVOIDED GEN. CAP. COSTS	TOTAL BENEFITS
	\$(000)	\$(000)	\$(000)	\$(000)
2009	0	0	0	0
2010	86	29	36	151
2011	93	30	37	160
2012	96	31	38	165
2013	125	31	39	196
2014	129	32	41	202
2015	140	33	42	215
2016	149	34	43	226
2017	159	35	44	239
2018	173	36	46	254
2019	170	37	47	254
2020	159	38	49	246
2021	165	39	50	253
2022	181	40	51	273
2023	189	41	53	283
2024	201	42	55	298
2025	213	43	56	313
2026	231	44	58	334
2027	249	46	60	354
2028	265	47	61	374
2029	274	48	63	385
2030	0	0	0	0
2031	0	0	0	0
2032	0	0	0	0
2033	0	0	0	0
2034	0	0	0	0
2035	0	0	0	0
2036	0	0	0	0
2037	0	0	0	0
2038	0	0	0	0
<hr/>				
NOMINAL	3,448	755	970	5,173
NPV	1,537	362	462	2,361
Present Value of Avoided Costs			<i>i=8.46%</i>	2,361,011

PROGRAM: PEC Residential Home Energy Improvement - Vintage

YEAR	BENEFITS			
	(1)	(2)	(3)	(4)
	TOTAL FUEL & O&M SAVINGS \$(000)	AVOIDED T&D CAP. COSTS \$(000)	AVOIDED GEN. CAP. COSTS \$(000)	TOTAL BENEFITS \$(000)
2009	0	0	0	0
2010	462	271	343	1,075
2011	502	280	353	1,135
2012	516	289	363	1,169
2013	544	238	300	1,082
2014	575	245	309	1,128
2015	621	251	318	1,190
2016	657	258	328	1,243
2017	711	265	338	1,313
2018	781	272	348	1,401
2019	745	280	358	1,383
2020	691	285	367	1,343
2021	728	293	378	1,398
2022	806	301	389	1,496
2023	857	309	401	1,567
2024	912	318	413	1,642
2025	634	196	254	1,084
2026	689	201	262	1,152
2027	749	206	270	1,225
2028	473	116	152	740
2029	491	119	156	766
2030	0	0	0	0
2031	0	0	0	0
2032	0	0	0	0
2033	0	0	0	0
2034	0	0	0	0
2035	0	0	0	0
2036	0	0	0	0
2037	0	0	0	0
2038	0	0	0	0
NOMINAL	13,142	4,993	6,397	24,532
NPV	6,469	2,677	3,413	12,559
Present Value of Avoided Costs			<i>i=8.46%</i>	12,559,034

PROGRAM: PEC Residential Lighting Program - Vintage-1

YEAR	BENEFITS			
	(1)	(2)	(3)	(4)
	TOTAL FUEL & O&M SAVINGS \$(000)	AVOIDED T&D CAP. COSTS \$(000)	AVOIDED GEN. CAP. COSTS \$(000)	TOTAL BENEFITS \$(000)
2009	0	0	0	0
2010	3,242	322	408	3,973
2011	3,519	333	421	4,273
2012	3,639	345	433	4,417
2013	4,734	354	446	5,534
2014	4,916	364	460	5,740
2015	5,300	374	473	6,147
2016	5,599	384	488	6,471
2017	0	0	0	0
2018	0	0	0	0
2019	0	0	0	0
2020	0	0	0	0
2021	0	0	0	0
2022	0	0	0	0
2023	0	0	0	0
2024	0	0	0	0
2025	0	0	0	0
2026	0	0	0	0
2027	0	0	0	0
2028	0	0	0	0
2029	0	0	0	0
2030	0	0	0	0
2031	0	0	0	0
2032	0	0	0	0
2033	0	0	0	0
2034	0	0	0	0
2035	0	0	0	0
2036	0	0	0	0
2037	0	0	0	0
2038	0	0	0	0
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NOMINAL	30,950	2,476	3,130	36,555
<hr/>				
NPV	23,814	1,948	2,462	28,224
<hr/>				
Present Value of Avoided Costs			<i>i=8.46%</i>	28,224,032

PROGRAM: PEC Residential Appliance Recycling - Vintage Year-1

YEAR	BENEFITS			
	(1)	(2)	(3)	(4)
	TOTAL FUEL & O&M SAVINGS \$(000)	AVOIDED T&D CAP. COSTS \$(000)	AVOIDED GEN. CAP. COSTS \$(000)	TOTAL BENEFITS \$(000)
2009	0	0	0	0
2010	190	24	30	245
2011	206	25	31	262
2012	214	26	32	272
2013	282	26	33	341
2014	291	27	34	353
2015	314	28	35	377
2016	332	28	36	397
2017	356	29	37	422
2018	383	30	38	452
2019	380	31	40	450
2020	0	0	0	0
2021	0	0	0	0
2022	0	0	0	0
2023	0	0	0	0
2024	0	0	0	0
2025	0	0	0	0
2026	0	0	0	0
2027	0	0	0	0
2028	0	0	0	0
2029	0	0	0	0
2030	0	0	0	0
2031	0	0	0	0
2032	0	0	0	0
2033	0	0	0	0
2034	0	0	0	0
2035	0	0	0	0
2036	0	0	0	0
2037	0	0	0	0
2038	0	0	0	0
NOMINAL	2,950	274	347	3,571
NPV	1,992	192	243	2,427
Present Value of Avoided Costs			<i>i=8.46%</i>	\$ 2,426,505

PROGRAM: PEC CIG Energy Efficiency Business - Vintage Year-2

YEAR	BENEFITS			
	(1)	(2)	(3)	(4)
	TOTAL FUEL & O&M SAVINGS \$(000)	AVOIDED T&D CAP. COSTS \$(000)	AVOIDED GEN. CAP. COSTS \$(000)	TOTAL BENEFITS \$(000)
2009	0	0	0	0
2010	1,791	417	528	2,736
2011	1,927	431	544	2,902
2012	1,982	446	560	2,988
2013	2,525	458	577	3,560
2014	2,633	470	595	3,698
2015	2,852	483	612	3,948
2016	3,013	496	631	4,140
2017	3,224	510	650	4,384
2018	3,481	524	669	4,673
2019	3,414	538	689	4,641
2020	3,242	552	709	4,502
2021	3,359	567	730	4,656
2022	152	35	46	233
2023	158	36	47	242
2024	154	35	45	234
2025	69	10	13	92
2026	75	10	13	98
2027	78	10	14	102
2028	86	11	14	110
2029	87	11	14	112
2030	0	0	0	0
2031	0	0	0	0
2032	0	0	0	0
2033	0	0	0	0
2034	0	0	0	0
2035	0	0	0	0
2036	0	0	0	0
2037	0	0	0	0
2038	0	0	0	0
NOMINAL	34,299	6,051	7,700	48,050
NPV	21,246	3,868	4,911	30,026
Present Value of Avoided Costs			<i>i=8.46%</i>	\$ 30,025,708

PROGRESS ENERGY CAROLINAS, INC.
Calculation of Net Lost Revenues

			TEST PERIOD			RATE PERIOD		
			General			General		
			Residential	Service	System	Residential	Service	System
1	Adjusted Gross Margin (Net of GRT)	WP D-4 ¹	\$ 60.79	\$ 54.38	\$ 47.45	\$ 60.79	\$ 54.38	\$ 47.45
2	Less: Incremental Variable O&M	From CSP	2.12	2.12	2.12	2.17	2.17	2.17
3	Net Rate for Lost Revenue Determination / MWh	Lines 1 - 2	\$ 58.67	\$ 52.26	\$ 45.33	\$ 58.62	\$ 52.21	\$ 45.28
DSM Programs (Total Lost MWH)								
4	Residential EnergyWise	TBD ²	-	-	-	-	-	-
5	DSDR	TBD ²	-	-	-	-	-	-
6	CIG DR	TBD ²	-	-	-	-	-	-
7	Total DSM	Σ Lines 4 thru 6	-	-	-	-	-	-
8	SC Allocation Factors (DSM)	W/P B	13.84%	13.84%	13.84%	14.11%	14.11%	14.11%
DSM Programs (SC Lost MWH)								
9	Residential EnergyWise	Lines 4 X 8	-	-	-	-	-	-
10	DSDR	Lines 5 X 8	-	-	-	-	-	-
11	CIG DR	Lines 6 X 8	-	-	-	-	-	-
12	Total DSM	Σ Lines 9 thru 11	-	-	-	-	-	-
DSM Programs (SC Net Lost Revenues)								
13	Residential EnergyWise	Lines 3 X 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	DSDR	Lines 3 X 10	-	-	-	-	-	-
15	CIG DR	Lines 3 X 11	-	-	-	-	-	-
16	Total DSM	Σ Lines 13 thru 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EE Programs (Total Lost MWH) ¹								
17	Residential Home Advantage	W/P D-3a ¹	490.30	-	-	2,186.10	-	-
18	Residential Home Energy Improvement	W/P D-3a ¹	2,938.03	-	-	10,383.25	-	-
19	Residential Low Income Program	W/P D-3a ¹	377.77	-	-	4,862.95	-	-
20	Residential Lighting	W/P D-3a ¹	1,451.95	-	-	60,406.29	-	-
21	Residential Appliance Recycling	W/P D-3a ¹	-	-	-	3,838.35	-	-
22	CIG Energy Efficiency	W/P D-3a ¹	-	10,121.65	-	-	44,196.89	-
23	Pilot CFL Program ³	W/P D-3a ¹	6,706.00	-	-	2,794.17	-	-
24	Total EE	Σ Lines 17 thru 21	11,964.05	10,121.65	-	84,471.10	44,196.89	-
25	SC Allocation Factors (EE)	W/P B	14.94%	14.94%	14.94%	14.59%	14.59%	14.59%
EE Programs (SC Lost MWH)								
26	Residential Home Advantage	Lines 17 X 25	73.25	-	-	318.95	-	-
27	Residential Home Energy Improvement	Lines 18 X 25	438.94	-	-	1,514.92	-	-
28	Residential Low Income Program	Lines 19 X 25	56.44	-	-	709.50	-	-
29	Residential Lighting	Lines 20 X 25	216.92	-	-	8,813.28	-	-
30	Residential Appliance Recycling	Lines 21 X 25	-	-	-	560.02	-	-
31	CIG Energy Efficiency	Lines 22 X 25	-	1,512.17	-	-	6,448.33	-
32	Pilot CFL Program	Lines 23 X 25	1,001.88	-	-	407.67	-	-
33	Total EE	Σ Lines 26 thru 32	1,787.43	1,512.17	-	12,324.33	6,448.33	-
EE Programs (SC Net Lost Revenues)								
34	Residential Home Advantage	Lines 3 X 26	\$ 4,297.83	\$ -	\$ -	\$ 18,697.85	\$ -	\$ -
34	Residential Home Energy Improvement	Lines 3 X 27	25,753.96	-	-	88,808.60	-	-
35	Residential Low Income Program	Lines 3 X 28	3,311.39	-	-	41,593.12	-	-
35	Residential Lighting	Lines 3 X 29	12,727.36	-	-	516,658.82	-	-
36	Residential Appliance Recycling	Lines 3 X 30	-	-	-	32,829.65	-	-
36	CIG Energy Efficiency	Lines 3 X 31	-	79,030.54	-	-	336,685.62	-
37	Pilot CFL Program	Lines 3 X 32	58,782.87	-	-	23,898.69	-	-
38	Total EE	Σ Lines 34 thru 37	\$ 104,873.41	\$ 79,030.54	\$ -	\$ 722,486.72	\$ 336,685.62	\$ -

¹ Referenced workpapers filed with Direct Testimony and Exhibits in this proceeding on April 30, 2010.

² Net Lost Revenues for Event Driven Measures will be based on actual as opposed to estimated events.

³ CFL Net Lost Revenue Recovery through End of Test Period 2 yrs 7 months. Remaining 5 months reflected in Rate Period.

Annualized Residential Program Impact Estimates at the Meter

	NES Program				Home Advantage				HEIP Program				Res Lighting				Appliance Recycling				Home Depot CFL Program				EnergyWise Program					
	MWH	Σ MWH	kW	Σ kW	MWH	Σ MWH	kW	Σ kW	MWH	Σ MWH	kW	Σ kW	MWH	Σ MWH	kW	Σ kW	MWH	Σ MWH	kW	Σ kW	MWH	Σ MWH	kW	Σ kW	MWH	Σ MWH	Sum kW	Sum Σ kW	Win kW	Win Σ kW
Jan-09	-	-	-	-	47.2	47.2	16.6	16.6	-	-	-	-	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	-	-	-	-
Feb-09	-	-	-	-	26.4	73.6	9.0	25.6	-	-	-	-	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	-	-	-	-
Mar-09	-	-	-	-	43.2	116.8	14.4	40.0	-	-	-	-	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	-	-	-	-
Apr-09	-	-	-	-	46.9	163.7	15.9	55.9	14.8	14.8	12.3	12.3	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	202.0	202.0	-	-
May-09	-	-	-	-	45.3	209.0	15.9	71.8	232.2	247.0	190.3	202.6	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	612.0	814.0	18.0	18.0
Jun-09	-	-	-	-	66.7	275.7	22.1	93.9	240.4	487.4	189.1	391.7	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	1,350.0	2,164.0	11.0	29.0
Jul-09	-	-	-	-	37.1	312.8	13.4	107.3	513.7	1,001.1	407.4	799.1	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	1,641.0	3,805.0	42.0	71.0
Aug-09	-	-	-	-	47.9	360.7	16.7	124.0	615.3	1,616.4	484.4	1,283.5	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	1,729.0	5,534.0	62.0	133.0
Sep-09	-	-	-	-	67.4	428.1	22.5	146.5	696.3	2,312.7	541.5	1,825.0	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	1,994.0	7,528.0	63.0	196.0
Oct-09	124.4	124.4	19.2	19.2	23.3	451.4	7.8	154.3	898.2	3,210.9	682.9	2,507.9	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	2,087.0	9,615.0	87.0	283.0
Nov-09	250.6	375.0	38.6	57.8	127.4	578.8	41.0	195.3	635.2	3,846.1	487.9	2,995.8	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	1,718.0	11,333.0	46.0	329.0
Dec-09	203.2	578.2	31.3	89.1	78.8	657.6	26.8	222.1	165.9	4,012.0	125.8	3,121.6	-	-	-	-	-	-	-	-	6,706.0	-	630.0	-	-	-	1,870.0	13,203.0	52.0	381.0
Jan-10	260.0	838.2	40.0	129.1	90	747.6	32	254.1	1,122.0	5,134.0	818.0	3,939.6	954.7	954.7	90.5	90.5	-	-	-	-	6,706.0	-	630.0	-	-	-	2,464.0	15,667.0	128.0	509.0
Feb-10	292.0	1,130.2	45.0	174.1	64	811.6	21	275.1	1,373.0	6,507.0	1,006.0	4,945.6	4,773.5	5,728.2	452.3	542.8	-	-	-	-	6,706.0	-	630.0	-	-	-	2,554.0	18,221.0	128.0	637.0
Mar-10	357.0	1,487.2	55.0	229.1	75	886.6	25	300.1	360.0	6,867.0	266.0	5,211.6	5,012.2	10,740.4	474.9	1,017.7	-	-	-	-	6,706.0	-	630.0	-	-	-	3,000.0	21,221.0	214.0	851.0
Apr-10	357.0	1,844.2	55.0	284.1	108	994.6	36	336.1	360.0	7,227.0	266.0	5,477.6	5,728.4	16,468.8	542.7	1,560.4	110.0	110.0	12.8	12.8	6,706.0	-	630.0	-	-	-	3,300.0	24,521.0	214.0	1,065.0
May-10	357.0	2,201.2	55.0	339.1	120	1,114.6	40	376.1	360.0	7,587.0	266.0	5,743.6	5,012.3	21,481.1	474.9	2,035.3	211.9	321.9	24.7	37.5	6,706.0	-	630.0	-	-	-	3,500.0	28,021.0	214.0	1,279.0
Jun-10	357.0	2,558.2	55.0	394.1	134	1,248.6	45	421.1	360.0	7,947.0	266.0	6,009.6	4,773.6	26,254.7	452.3	2,487.6	463.1	785.0	53.9	91.4	6,706.0	-	630.0	-	-	-	3,500.0	31,521.0	214.0	1,493.0
Jul-10	357.0	2,915.2	55.0	449.1	147	1,395.6	50	471.1	360.0	8,307.0	266.0	6,275.6	4,534.9	30,789.6	429.7	2,917.3	541.9	1,326.9	63.1	154.4	6,706.0	-	630.0	-	24.6	24.6	3,700.0	35,221.0	214.0	1,707.0
Aug-10	357.0	3,272.2	55.0	504.1	151	1,546.6	51	522.1	360.0	8,667.0	266.0	6,541.6	4,534.9	35,324.5	429.7	3,347.0	426.4	1,753.3	49.6	204.1	6,706.0	-	630.0	-	54.2	78.7	3,700.0	38,921.0	214.0	1,921.0
Sep-10	357.0	3,629.2	55.0	559.1	139	1,685.6	47	569.1	360.0	9,027.0	266.0	6,807.6	5,251.0	40,575.5	497.5	3,844.5	426.4	2,179.7	49.6	253.7	6,706.0	-	630.0	-	-	78.7	3,300.0	42,221.0	214.0	2,135.0
Oct-10	357.0	3,986.2	55.0	614.1	139	1,824.6	47	616.1	360.0	9,387.0	266.0	7,073.6	5,728.4	46,303.9	542.7	4,387.2	426.4	2,606.1	49.6	303.3	6,706.0	-	630.0	-	-	78.7	3,000.0	45,221.0	214.0	2,349.0
Nov-10	357.0	4,343.2	55.0	669.1	130	1,954.4	44	660.1	360.0	9,747.0	266.0	7,339.6	5,728.4	52,032.3	542.7	4,929.9	426.4	3,032.5	49.6	353.0	6,706.0	-	630.0	-	-	78.7	2,400.0	47,621.0	240.0	2,589.0
Dec-10	357.0	4,700.2	55.0	724.1	117	2,071.6	39	699.1	360.0	10,107.0	266.0	7,605.6	5,251.0	57,283.3	497.5	5,427.4	426.4	3,458.9	49.6	402.6	6,706.0	-	630.0	-	-	78.7	2,400.0	50,021.0	240.0	2,829.0
Jan-11	348.0	5,048.2	54.0	778.1	125.0	2,196.6	38.0	737.1	415.0	10,522.0	296.0	7,901.6	5,364.5	62,647.8	474.6	5,902.0	430.9	3,889.8	50.1	452.7	6,706.0	-	630.0	-	5.8	84.6	2,500.0	52,521.0	540.0	3,369.0
Feb-11	348.0	5,396.2	54.0	832.1	145.0	2,341.6	44.0	781.1	415.0	10,937.0	296.0	8,197.6	5,364.5	68,012.3	474.6	6,376.5	430.9	4,320.7	50.1	502.8	6,706.0	-	630.0	-	12.3	96.9	3,000.0	55,521.0	540.0	3,909.0
Mar-11	348.0	5,744.2	54.0	886.1	165.0	2,506.6	50.0	831.1	415.0	11,352.0	296.0	8,493.6	5,929.2	73,941.5	524.5	6,901.1	536.0	4,856.7	62.4	565.2	6,706.0	-	630.0	-	-	96.9	3,100.0	58,621.0	481.5	4,390.5
Apr-11	348.0	6,092.2	54.0	940.1	185.0	2,691.6	56.0	887.1	415.0	11,767.0	296.0	8,789.6	6,211.5	80,153.0	549.5	7,450.6	646.3	5,503.0	75.2	640.4	6,706.0	-	630.0	-	-	96.9	3,300.0	61,921.0	481.5	4,872.0
May-11	348.0	6,440.2	54.0	994.1	205.0	2,896.6	62.0	949.1	415.0	12,182.0	296.0	9,085.6	5,929.2	86,082.2	524.5	7,975.1	710.5	6,213.5	82.7	723.1	6,706.0	-	630.0	-	-	96.9	3,500.0	65,421.0	481.5	5,353.5
Jun-11	348.0	6,788.2	54.0	1,048.1	225.0	3,121.6	68.0	1,017.1	415.0	12,597.0	296.0	9,381.6	5,646.9	91,729.1	499.6	8,474.7	705.6	6,919.1	82.1	805.2	6,706.0	-	630.0	-	-	96.9	3,500.0	68,921.0	481.5	5,835.0
Jul-11	348.0	7,136.2	54.0	1,102.1	235.0	3,356.6	70.0	1,087.1	415.0	13,012.0	296.0	9,677.6	4,799.8	96,528.9	424.6	8,899.3	591.5	7,510.6	68.8	874.0	6,706.0	-	630.0	-	49.4	146.4	3,700.0	72,621.0	481.5	6,316.5
Aug-11	348.0	7,484.2	54.0	1,156.1	255.0	3,611.6	75.0	1,162.1	415.0	13,427.0	296.0	9,973.6	4,799.8	101,328.7	424.6	9,323.9	559.4	8,070.0	65.1	939.1	6,706.0	-	630.0	-	103.0	249.4	3,700.0	76,321.0	481.5	6,798.0
Sep-11	348.0	7,832.2	54.0	1,210.1	263.0	3,874.6	78.0	1,240.1	415.0	13,842.0	296.0	10,269.6	6,211.5	107,540.2	549.5	9,873.4	559.4	8,629.4	65.1	1,004.2	6,706.0	-	630.0	-	-	249.4	3,300.0	79,621.0	481.5	7,279.5
Oct-11	348.0	8,180.2	54.0	1,264.1	260.0	4,134.6	76.0	1,316.1	415.0	14,257.0	296.0	10,565.6	6,211.5	113,751.7	549.5	10,422.9	651.0	9,280.4	75.8	1,080.0	6,706.0	-	630.0	-	-	249.4	3,000.0	82,621.0	481.5	7,761.0
Nov-11	348.0	8,528.2	54.0	1,318.1	250.0	4,384.6	73.0	1,389.1	415.0	14,672.0	296.0	10,861.6	5,646.9	119,398.6	499.6	10,922.5	651.0	9,931.4	75.8	1,155.8	6,706.0	-	630.0	-	-	249.4	2,500.0	85,121.0	540.0	8,301.0
Dec-111																														

Annualized Residential Program Impact Estimates at the Meter

Lost Sales

	NES Program			Home Advantage			HEIP Program			Res Lighting			Appliance Recycling			Home Depot CFL Program			EnergyWise Program		
	Annualized Additions	Adjust Factor	Period Impact	Annualized Additions	Adjust Factor	Period Impact	Annualized Additions	Adjust Factor	Period Impact	Annualized Additions	Adjust Factor	Period Impact	Annualized Additions	Adjust Factor	Period Impact	Annualized Additions	Adjust Factor	Period Impact	Annualized Additions	Adjust Factor	Period Impact
BASE 3-09	-	12/12	-	116.8	12/12	116.8	-	12/12	-	-	12/12	-	-	12/12	-	6,706.0	12/12	6,706.0	-	12/12	-
Apr-09	-	12/12	-	46.9	12/12	46.9	14.8	12/12	14.8	-	12/12	-	-	12/12	-	-	12/12	-	-	12/12	-
May-09	-	11/12	-	45.3	11/12	41.5	232.2	11/12	212.9	-	11/12	-	-	11/12	-	-	11/12	-	-	11/12	-
Jun-09	-	10/12	-	66.7	10/12	55.6	240.4	10/12	200.3	-	10/12	-	-	10/12	-	-	10/12	-	-	10/12	-
Jul-09	-	9/12	-	37.1	9/12	27.8	513.7	9/12	385.3	-	9/12	-	-	9/12	-	-	9/12	-	-	9/12	-
Aug-09	-	8/12	-	47.9	8/12	31.9	615.3	8/12	410.2	-	8/12	-	-	8/12	-	-	8/12	-	-	8/12	-
Sep-09	-	7/12	-	67.4	7/12	39.3	696.3	7/12	406.2	-	7/12	-	-	7/12	-	-	7/12	-	-	7/12	-
Oct-09	124.4	6/12	62.2	23.3	6/12	11.7	898.2	6/12	449.1	-	6/12	-	-	6/12	-	-	6/12	-	-	6/12	-
Nov-09	250.6	5/12	104.4	127.4	5/12	53.1	635.2	5/12	264.7	-	5/12	-	-	5/12	-	-	5/12	-	-	5/12	-
Dec-09	203.2	4/12	67.7	78.8	4/12	26.3	165.9	4/12	55.3	-	4/12	-	-	4/12	-	-	4/12	-	-	4/12	-
Jan-10	260.0	3/12	65.0	90.0	3/12	22.5	1,122.0	3/12	280.5	954.7	3/12	238.7	-	3/12	-	-	3/12	-	-	3/12	-
Feb-10	292.0	2/12	48.7	64.0	2/12	10.7	1,373.0	2/12	228.8	4,773.5	2/12	795.6	-	2/12	-	-	2/12	-	-	2/12	-
Mar-10	357.0	1/12	29.8	75.0	1/12	6.3	360.0	1/12	30.0	5,012.2	1/12	417.7	-	1/12	-	-	1/12	-	-	1/12	-
ETest Pd			377.8			490.3			2,938.0			1,451.9			-			6,706.0			-
BASE 5-10	2,558.2	12/12	2,558.2	1,248.6	12/12	1,248.6	7,947.0	12/12	7,947.0	26,254.7	12/12	26,254.7	785.0	12/12	785.0	6,706.0	12/12	6,706.0	-	12/12	-
Jul-10	357.0	12/12	357.0	147.0	12/12	147.0	360.0	12/12	360.0	4,534.9	12/12	4,534.9	541.9	12/12	541.9	-	12/12	-	24.6	12/12	24.6
Aug-10	357.0	11/12	327.3	151.0	11/12	138.4	360.0	11/12	330.0	4,534.9	11/12	4,157.0	426.4	11/12	390.9	-	11/12	-	54.2	11/12	49.6
Sep-10	357.0	10/12	297.5	139.0	10/12	115.8	360.0	10/12	300.0	5,251.0	10/12	4,375.8	426.4	10/12	355.3	-	10/12	-	-	10/12	-
Oct-10	357.0	9/12	267.8	139.0	9/12	104.3	360.0	9/12	270.0	5,728.4	9/12	4,296.3	426.4	9/12	319.8	-	9/12	-	-	9/12	-
Nov-10	357.0	8/12	238.0	130.0	8/12	86.7	360.0	8/12	240.0	5,728.4	8/12	3,818.9	426.4	8/12	284.3	-	8/12	-	-	8/12	-
Dec-10	357.0	7/12	208.3	117.0	7/12	68.3	360.0	7/12	210.0	5,251.0	7/12	3,063.1	426.4	7/12	248.7	-	7/12	-	-	7/12	-
Jan-11	348.0	6/12	174.0	125.0	6/12	62.5	415.0	6/12	207.5	5,364.5	6/12	2,682.3	430.9	6/12	215.5	-	6/12	-	5.8	6/12	2.9
Feb-11	348.0	5/12	145.0	145.0	5/12	60.4	415.0	5/12	172.9	5,364.5	5/12	2,235.2	430.9	5/12	179.5	-	5/12	-	12.3	5/12	5.1
Mar-11	348.0	4/12	116.0	165.0	4/12	55.0	415.0	4/12	138.3	5,929.2	4/12	1,976.4	536.0	4/12	178.7	-	4/12	-	-	4/12	-
Apr-11	348.0	3/12	87.0	185.0	3/12	46.3	415.0	3/12	103.8	6,211.5	3/12	1,552.9	646.3	3/12	161.6	-	3/12	-	-	3/12	-
May-11	348.0	2/12	58.0	205.0	2/12	34.2	415.0	2/12	69.2	5,929.2	2/12	988.2	710.5	2/12	118.4	-	2/12	-	-	2/12	-
Jun-11	348.0	1/12	29.0	225.0	1/12	18.8	415.0	1/12	34.6	5,646.9	1/12	470.6	705.6	1/12	58.8	-	1/12	-	-	1/12	-
ESC Rate Pd			4,863.0			2,186.1			10,383.3			60,406.3			3,838.4			6,706.0			82.3

Annualized CIG Program Impact Estimates

	CIG DR				CIG EE			
	MWH	Σ MWH	kW	Σ kW	MWH	Σ MWH	kW	Σ kW
Jan-09	-	-	-	-	-	-	-	-
Feb-09	-	-	-	-	-	-	-	-
Mar-09	-	-	-	-	-	-	-	-
Apr-09	-	-	-	-	765	765	177	177
May-09	-	-	-	-	931	1,696	221	398
Jun-09	-	-	-	-	765	2,462	253	652
Jul-09	-	-	-	-	2,336	4,797	566	1,217
Aug-09	-	-	-	-	1,384	6,182	400	1,617
Sep-09	-	-	-	-	2,518	8,700	620	2,237
Oct-09	-	-	-	-	2,886	11,586	681	2,918
Nov-09	-	-	-	-	1,762	13,348	464	3,381
Dec-09	-	-	816	816	214	13,562	49	3,431
Jan-10	-	-	-	816	3,749	17,311	950	4,381
Feb-10	-	-	150	966	2,338	19,649	507	4,888
Mar-10	-	-	675	1,641	1,752	21,401	433	5,321
Apr-10	-	-	825	2,466	1,904	23,304	471	5,792
May-10	-	-	825	3,291	2,103	25,408	520	6,312
Jun-10	-	-	825	4,116	2,175	27,583	538	6,850
Jul-10	30	30	825	4,941	2,248	29,831	556	7,406
Aug-10	69	99	825	5,766	2,325	32,156	575	7,981
Sep-10	-	99	825	6,591	2,403	34,559	595	8,576
Oct-10	-	99	825	7,416	2,485	37,044	615	9,191
Nov-10	-	99	825	8,241	2,569	39,613	636	9,826
Dec-10	-	99	825	9,066	2,656	42,269	657	10,483
Jan-11	-	99	1,000	10,066	2,746	45,016	679	11,163
Feb-11	-	99	2,500	12,566	2,839	47,855	702	11,865
Mar-11	-	99	3,000	15,566	2,936	50,791	726	12,592
Apr-11	-	99	3,000	18,566	3,035	53,826	751	13,342
May-11	-	99	3,000	21,566	3,219	57,044	796	14,139
Jun-11	-	99	2,000	23,566	3,314	60,358	820	14,959
Jul-11	150	249	1,500	25,066	3,412	63,770	844	15,803
Aug-11	313	562	1,000	26,066	3,513	67,283	869	16,672
Sep-11	-	562	1,500	27,566	3,617	70,900	895	17,567
Oct-11	-	562	1,500	29,066	3,724	74,624	921	18,488
Nov-11	-	562	500	29,566	3,834	78,458	949	19,437
Dec-11	-	562	-	29,566	3,948	82,406	977	20,414
Jan-12	-	562	750	30,316	4,064	86,470	1,006	21,419
Feb-12	-	562	1,875	32,191	4,185	90,655	1,035	22,454
Mar-12	-	562	2,250	34,441	4,309	94,964	1,066	23,521
Apr-12	-	562	2,250	36,691	4,436	99,400	1,098	24,618
May-12	-	562	2,250	38,941	4,527	103,927	1,120	25,738
Jun-12	-	562	1,500	40,441	4,611	108,538	1,141	26,879
Jul-12	249	811	1,000	41,441	4,696	113,234	1,162	28,041
Aug-12	509	1,320	1,000	42,441	4,783	118,017	1,183	29,224
Sep-12	-	1,320	1,125	43,566	4,871	122,888	1,205	30,429
Oct-12	-	1,320	1,125	44,691	4,962	127,849	1,228	31,657
Nov-12	-	1,320	375	45,066	5,053	132,903	1,250	32,907
Dec-12	-	1,320	-	45,066	5,147	138,050	1,273	34,180
Jan-13	-	1,320	250	45,316	5,242	143,292	1,297	35,477
Feb-13	-	1,320	625	45,941	5,339	148,631	1,321	36,798
Mar-13	-	1,320	750	46,691	5,438	154,068	1,345	38,144
Apr-13	-	1,320	750	47,441	5,538	159,607	1,370	39,514
May-13	-	1,320	750	48,191	5,659	165,266	1,400	40,914
Jun-13	-	1,320	500	48,691	5,763	171,029	1,426	42,340
Jul-13	294	1,614	250	48,941	5,870	176,899	1,452	43,792
Aug-13	590	2,204	250	49,191	5,979	182,878	1,479	45,271
Sep-13	-	2,204	375	49,566	6,089	188,967	1,507	46,778
Oct-13	-	2,204	375	49,941	6,202	195,169	1,534	48,312
Nov-13	-	2,204	125	50,066	6,317	201,486	1,563	49,875
Dec-13	-	2,204	-	50,066	6,434	207,919	1,592	51,467
2009		-		816		13,562		3,431
2010		99		9,066		42,269		10,483
2011		562		29,566		82,406		20,414
2012		1,320		45,066		138,050		34,180
2013		2,204		50,066		207,919		51,467

Annualized CIG Program Impact Estimates

Lost Sales

	Annualized Additions	CIG DR Adjust Factor	Period Impact		Annualized Additions	CIG EE Adjust Factor	Period Impact
BASE 3-09	-	12/12	-		-	12/12	-
Apr-09	-	12/12	-		765.4	12/12	765.4
May-09	-	11/12	-		930.9	11/12	853.3
Jun-09	-	10/12	-		765.2	10/12	637.7
Jul-09	-	9/12	-		2,335.9	9/12	1,751.9
Aug-09	-	8/12	-		1,384.5	8/12	923.0
Sep-09	-	7/12	-		2,518.4	7/12	1,469.1
Oct-09	-	6/12	-		2,885.7	6/12	1,442.8
Nov-09	-	5/12	-		1,762.2	5/12	734.3
Dec-09	-	4/12	-		214.0	4/12	71.3
Jan-10	-	3/12	-		3,749.0	3/12	937.3
Feb-10	-	2/12	-		2,337.7	2/12	389.6
Mar-10	-	1/12	-		1,751.7	1/12	146.0
ΣTest Pd			-				10,121.6

BASE 5-10	-	12/12	-	27,582.7	12/12	27,582.7
Jul-10	29.6	12/12	29.6	2,248.4	12/12	2,248.4
Aug-10	69.2	11/12	63.4	2,324.7	11/12	2,130.9
Sep-10	-	10/12	-	2,403.4	10/12	2,002.9
Oct-10	-	9/12	-	2,484.9	9/12	1,863.7
Nov-10	-	8/12	-	2,569.1	8/12	1,712.8
Dec-10	-	7/12	-	2,656.2	7/12	1,549.5
Jan-11	-	6/12	-	2,746.3	6/12	1,373.1
Feb-11	-	5/12	-	2,839.3	5/12	1,183.1
Mar-11	-	4/12	-	2,935.6	4/12	978.5
Apr-11	-	3/12	-	3,035.1	3/12	758.8
May-11	-	2/12	-	3,218.6	2/12	536.4
Jun-11	-	1/12	-	3,313.9	1/12	276.2
ΣSC Rate Pd			93.1			44,196.9

PROGRESS ENERGY CAROLINAS, INC.
Calculation of Net Lost Revenue Rates

		Residential	Commercial	System
1	Revenues (\$000s) ¹	\$ 201,501	\$ 149,274	\$ 514,357
2	Customer Charger Revenues (\$000s)	10,724	3,704	14,910
3	Revenues Net of Customer Charge	<i>Lines 1 - 2</i>		
4	GRT in Rates	\$ 190,777	\$ 145,570	\$ 499,447
5	Revenues Net of Cust Chge & GRT	<i>Line 3 x 0.3%</i>		
6	Uncollectible Rates	572	437	1,498
7	Uncollectible Portion of Rates	<i>Lines 3 - 4</i>		
8	Net Revenues	\$ 190,205	\$ 145,133	\$ 497,949
9	Fuel Revenue (\$000s)	<i>Exhibit No. 11</i>		
10	Adjusted Net Margin	0.6407%	0.0791%	0.2678%
11	Sales (MWHs)	<i>Lines 5 x 6</i>		
12	Adjusted Base Revenue per kWh (¢)	\$ 1,219	\$ 115	\$ 1,333
		<i>Lines 5 - 7</i>		
		\$ 188,986	\$ 145,018	\$ 496,615
		56,287	46,655	174,792
		<i>Lines 8 - 9</i>		
		\$ 132,699	\$ 98,363	\$ 321,823
		2,182,809	1,808,722	6,781,872
		<i>Lines 10 / 11</i>		
		6.079	5.438	4.745

¹All revenue and sales values are based on calendar year 2007 (DSM/EE Baseline)

SOUTH CAROLINA UTILITIES COMMISSION

DOCKET NO. 2010-____-E

**DIRECT TESTIMONY OF ROBERT P. EVANS
ON BEHALF OF CAROLINA POWER & LIGHT COMPANY
D/B/A/ PROGRESS ENERGY CAROLINAS, INC.**

**Q. PLEASE STATE YOUR NAME, YOUR BUSINESS ADDRESS AND POSITION
WITH PROGRESS ENERGY CAROLINAS, INC..**

A. My name is Robert P. Evans and my business address is 100 E. Davie Street, Post Office Box 1551, Raleigh, North Carolina 27602. I am employed by Progress Energy Carolinas, Inc. ("PEC") as a Lead DSM Regulatory Specialist in the Company's Efficiency and Innovative Technologies Department.

**Q. PLEASE BRIEFLY STATE YOUR EDUCATIONAL BACKGROUND AND
EXPERIENCE.**

A. I graduated from Iowa State University ("ISU") in 1978 with a Bachelor of Science Degree in Industrial Administration and a minor in Industrial Engineering. As a part of my undergraduate work, I participated in both the graduate level Regulatory Studies Programs sponsored by American Telephone and Telegraph Corporation and graduate level study programs in Engineering Economics. Subsequent to my graduation from ISU I received additional Engineering Economics training at the Colorado School of Mines, completed the NARUC Regulatory Studies program at Michigan State, and completed the Advanced AGA Ratemaking program at the University of Maryland. Upon graduation from ISU, I joined the Iowa State Commerce Commission, now known as the Iowa Utility Board

1 ("IUB"), in the Rates and Tariffs Section of the Utilities Division. During my tenure with
2 the IUB, I held several positions, including Senior Rate Analyst in charge of Utility Rates
3 and Tariffs and Assistant Director of the Utility Division. In those positions I provided
4 testimony in gas, electric, water and telecommunications proceedings as an expert witness
5 in the areas of rate design, service rules, and tariff applications. In 1982, I accepted
6 employment with City Utilities of Springfield, Missouri, as an Operations Analyst. In that
7 capacity, I provided support for rate-related matters associated with the municipal utility's
8 gas, electric, water and sewer operations. In addition, I worked closely with its load
9 management and energy conservation programs. In 1983, I joined the Rate Services staff
10 of the Iowa Power and Light Company, now known as MidAmerican Energy, as a Rate
11 Engineer. In this position, I was responsible for the preparation of rate related filings and
12 presented testimony on rate design, service rules, and accounting issues before the IUB. In
13 1986, I accepted employment with Tennessee-Virginia Energy Corporation, which is now
14 known as the United Cities Division of ATMOS Energy, as Director of Rates and
15 Regulatory Affairs. While in this position, I was responsible for regulatory filings,
16 regulatory relations, and customer billing. In 1987, I went to work for the Virginia State
17 Corporation Commission in the Division of Energy Regulation as a Utilities Specialist. In
18 this capacity I worked with electric and natural gas issues and provided testimony on cost
19 of service and rate design matters brought before that regulatory body. In 1988, I joined
20 North Carolina Natural Gas Corporation ("NCNG") as its Manager of Rates and Budgets.
21 Subsequently, I was promoted to Director-Statistical Services in its Planning and
22 Regulatory Compliance Department. In that position, I performed a variety of work
23 associated with financial, regulatory and statistical analysis, and presented testimony on

1 several issues brought before the North Carolina Utilities Commission. I held that position
2 until the closing of NCNG's merger with Carolina Power and Light Company, the
3 predecessor of Progress Energy, Inc., on July 15, 1999.

4 From July 1999 through January 2008 I was employed in Principal and Senior Analyst
5 roles by the Progress Energy Service Company, LLC. In these roles I provided NCNG,
6 Progress Energy Carolinas, Inc. and Progress Energy Florida, Inc. with rate and regulatory
7 support in their state and federal venues as well as financial forecasting support.

8 **Q. WHAT ARE YOUR CURRENT RESPONSIBILITIES?**

9 A. I am responsible for financial analysis and support of PEC's Energy Efficiency (EE) and
10 Demand Side Management (DSM) programs.

11 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

12 A. The purpose of my testimony is to explain and support PEC's Application for a DSM/EE
13 cost recovery rider and to provide the information required by the Stipulation approved by
14 the Commission on May 6, 2009 in Docket No. 2008-251-E.

15 **Q. ARE YOU SPONSORING PEC'S DSM/EE COST RECOVERY RIDER**
16 **APPLICATION?**

17 A. Yes. In addition to this testimony and accompanying exhibits, I am sponsoring PEC'S
18 DSM/EE Cost Recovery Rider Application identified as PEC Exhibit No. 1.

19 **Q. WHAT IS THE SCOPE OF THE APPROVED STIPULATION IN DOCKET NO.**
20 **2008-251-E?**

21 A. In summary, the Stipulation provided for: filing requirements; program opt-out criteria;
22 procedures for the annual recovery of costs incurred to implement new Demand-Side

1 Management (DSM) and Energy Efficiency (EE) programs and measures including the
2 limited recovery of net lost revenues and incentives based on the sharing of savings
3 achieved from PEC's programs. In addition, the Stipulation provided governing
4 parameters associated with DSM/EE measure screening, measurement and verification.

5 **Q. HAS PEC SUBMITTED INFORMATION COMPLYING WITH THE**
6 **STIPULATED FILING REQUIREMENTS?**

7 A. Yes, it has. The information required by Section (h) of the Stipulation, is contained in PEC
8 Exhibit No. 1.

9 **Q. DOES PEC'S REQUEST RECOGNIZE CUSTOMERS OPTING-OUT OF**
10 **PROGRAM PARTICIPATION?**

11 Yes it does. Section (f) of the Stipulation provides that commercial customers with annual
12 consumption of 1,000,000 kWh or greater in the billing months of the prior calendar year
13 and all industrial customers may elect to not participate in any utility-offered DSM/EE
14 measures and, after written notification to the utility, will not be subject to the DSM/EE
15 Rider. For purposes of application of this option, a customer is defined to be a metered
16 account billed under a single application of a Company rate tariff. For commercial
17 accounts, once one account meets the opt-out eligibility requirement, all other accounts
18 billed to the same entity with lesser annual usage located on the same or contiguous
19 properties are also eligible to opt-out of the DSM/EE Rider. Since these rates are included
20 in the rate tariff charges, customers electing this option will receive an itemized DSM/EE
21 Credit on their monthly bill statement.

1 **Q. IS PEC REQUESTING PROGRAM PERFORMANCE INCENTIVES IN THIS**
2 **PROCEEDING?**

3 Yes it is. The incentives, identified as Program Performance Incentives (“PPI”), are
4 calculated pursuant to section (e) of the Stipulation, based on the savings achieved by
5 DSM/EE programs as measured by the Utility Cost Test (“UCT”). With regard to DSM
6 measures and programs, PEC will receive an incentive equal to eight percent of the net
7 savings estimated by the UCT, and for EE measures and programs PEC will receive an
8 incentive equal to thirteen percent of the UCT estimated net savings. Using these values,
9 the PPI is established for measures installed during a twelve-month period (i.e. a vintage
10 year) and is recovered in equal annual installments over a ten-year period. The annual
11 installments are calculated through the levelization of the vintage year PPI using PEC’s
12 overall weighted net-of-tax rate of return approved in PEC’s most recent general rate case
13 as a discount rate.

14 In addition, PEC is requesting the recovery of estimated net lost revenues. Pursuant to the
15 Stipulation, recovery of net lost revenues is allowed for no more than three years for
16 measures installed in any given vintage year. Both the recovery of net lost revenue and PPI
17 are subject to true-up on the basis of measurement and verification analysis.

18 **SUMMARY OF DSM/EE COSTS**

19 **Q. CAN YOU PROVIDE A SUMMARY OF THE COSTS FOR WHICH THE**
20 **COMPANY IS REQUESTING RECOVERY IN THIS PROCEEDING?**

21 A. Yes. The Company’s requested recovery of DSM/EE costs, allocated jurisdictionally to
22 South Carolina, associated with this proceeding have been broken into two periods. For the

test period, April 1, 2009 through March 31, 2010, the South Carolina allocated share of actual costs is \$5,176,369. For the rate period, July 1, 2010 through June 30, 2011, the South Carolina allocated share of forecasted costs is \$11,215,939. The total of jurisdictionally allocated actual and forecasted costs is \$16,392,308.

A summary of the costs associated with the Company's recovery request is provided in the following table by period and by DSM/EE measure.

Program / Measure	Test Period	Rate Period	Total
	4-1-09 thru 3-31-10	7-1-10 thru 6-30-11	4-1-09 thru 6-30-11
Demand-Side Management Programs			
DSDR Implementation	\$ 1,303,569	\$ 3,057,815	\$ 4,361,384
CIG DR	53,123	396,307	449,430
EnergyWise™	1,012,377	1,517,930	2,530,307
Energy Efficiency Programs			
Residential Home Advantage	\$ 114,786	\$ 203,290	\$ 318,076
Residential Home Energy Improvement	664,437	869,472	1,533,909
Residential Low Income - NES	116,450	334,704	451,154
Residential Lighting	190,130	1,461,517	1,651,647
Residential Appliance Recycling	13,203	294,031	307,234
CIG Energy Efficiency	768,586	1,750,961	2,519,547
Residential Solar Water Heating Pilot	21,640	38,967	60,607
Pilot CFL Program	69,256	34,372	103,628
A&G and Carrying Costs			
A&G	\$ 448,303	\$ 534,496	\$ 982,799
Carrying Cost on Balances	400,509	722,077	1,122,586
Total Cost	\$ 5,176,369	\$ 11,215,939	\$ 16,392,308

In addition to the summary table above, a further breakdown by cost element is provided on attached Evans Exhibit No. 1.

Q. ARE THE COMPANY'S PROPOSED RATES DESIGNED TO RECOVER \$16,392,308?

A. No, since many of the expenses incurred to develop and implement the Company's DSM and EE programs produce benefits covering several years, those expenses pursuant to item (c)(1) of the Stipulation, will be deferred, and recovered over a ten year period. There is one exception to PEC's reliance on ten-year recovery periods. As a part of its Residential

1 Lighting Program application, PEC requested that it be allowed to employ a five-year
2 recovery period for the recoupment of costs deferred for the program. The shorter recovery
3 period associated with this program is more reflective of the anticipated measure lives of
4 high efficiency residential lighting products. As a result of these deferrals and the
5 recovery of DSM/EE revenues during the test period, the Company's rates for this
6 proceeding are designed to recover revenues totaling \$5,884,134. Details associated with
7 the development of this amount is provided on Evans Exhibit Nos. 1 and 2.

8 **Q. HOW MUCH REVENUE WAS RECOVERED DURING THE TEST PERIOD?**

9 A. PEC billed \$2,207,932.64 during the test period. This amount is used to offset DSM/EE
10 expenses realized through the end of the test period in the amount of \$2,291,323.55. As
11 illustrated on Evans Exhibit 2, this net amount, including adjustments totaling \$1,493.13,
12 left an unrecovered remainder totaling \$84,884.05 at March 31, 2010. This remainder
13 when added to the forecasted rate period recovery requirements, totals \$5,884,134, the
14 amount requested in this proceeding.

15 **JURISDICTIONAL COST ALLOCATION**

16 **Q. HOW ARE DSM AND EE PROGRAM COSTS ALLOCATED TO THE SOUTH**
17 **CAROLINA RETAIL JURISDICTION?**

18 A. PEC first reviews all costs to be recovered and separates them into four categories: (1) EE-
19 related costs, (2) DSM-related costs, (3) costs that provide a system benefit in support of
20 both EE and DSM programs, and (4) DSDR related costs. For each of these categories,
21 different allocation methods are employed to assign those costs to the appropriate
22 jurisdiction.

1 **Q. PLEASE ELABORATE ON THE METHODOLOGY USED TO ALLOCATE**
2 **DSM/EE COSTS THAT OFFER A SYSTEM BENEFIT.**

3 A. Common Administrative and General (A&G) Costs, associated with the programs, provide
4 a system benefit in support of both EE and DSM programs. Since A&G costs relate to both
5 EE and DSM, A&G amounts are divided into both categories. The division of these costs
6 into either the EE or DSM category is based upon the percentage of each type of
7 expenditure anticipated during the next forecast calendar year. For example, if 30% of
8 these costs in the forecast period are EE-related, then 30% of the A&G costs will be
9 considered as EE-related costs for allocation purposes. The use of a forecast period
10 recognizes the types of new programs PEC will offer in the immediate future that will be
11 supported by these administrative costs. The assignment of A&G costs as being either EE
12 or DSM related is reviewed annually each June based upon forecasted costs for the next
13 calendar year. The A&G costs provided for in this proceeding have been assigned to these
14 categories based upon forecasted DSM and EE costs for 2011.

15 **Q. ON EVANS EXHIBIT 1, THE DSDR PROGRAM IS SEPARATED FROM THE**
16 **OTHER DSM AND EE PROGRAMS. HOW IS THE DSDR PROGRAM**
17 **CLASSIFIED?**

18 A. The DSDR Program has been classified, for purposes of ratemaking, as a DSM program.
19 Due to the scope and nature of this program, its costs are being tracked separately. This
20 separate tracking includes both direct costs and A&G costs associated with the program.

21 **Q. HOW ARE COSTS IDENTIFIED AS EE-RELATED ALLOCATED TO THE**
22 **JURISDICTION?**

1 A. Any program costs that are identified as being EE-related, including A&G costs, are
2 allocated to SC retail based upon the ratio, at the meter, of SC retail sales to PEC system
3 retail sales. The allocation percentage is updated each May, and is based on the prior
4 calendar year usage data.

5 **Q. HOW ARE COSTS IDENTIFIED AS DSM-RELATED ALLOCATED TO THE**
6 **JURISDICTION?**

7 A. Any program costs that are identified as being DSM or DSDR-related, including assigned
8 A&G costs, are allocated to SC retail based upon the ratio of the SC retail demand to the
9 PEC system retail demand at the hour of the annual system peak. The allocation
10 percentage is updated each May, and is based on the prior calendar year demand data.

11 **UTILITY INCENTIVES AND NET LOST REVENUES**

12 **Q. HOW WERE THE UTILITY INCENTIVES CALCULATED?**

13 A. As stated earlier, the PPI is calculated pursuant to section (e) of the Stipulation, based on
14 the savings achieved by DSM/EE programs as measured by the Utility Cost Test (“UCT”).
15 The amount of the PPI initially to be recovered for a given measurement unit and vintage
16 year shall be equal to eight percent of the UCT for DSM programs and measures and
17 thirteen percent of the UCT for EE programs and measures. Estimated net savings are
18 determined by multiplying the number of measurement units projected to be installed
19 specific to a program or measure in a vintage year by the most current estimates of the
20 annual per installation kW and kWh savings over the measurement unit's life and by the
21 most current estimates of the annual kW and kWh avoided costs, subtracting the estimated

1 utility costs over the measurement unit's life related to the projected installations in that
2 vintage year and discounting the result to determine a net present value.

3 The PPI for the initial vintage was converted into a stream of ten (10) levelized annual
4 payments, accounting for and incorporating PEC's overall weighted average net-of-tax rate
5 of return approved in the Company's most recent general rate case as the appropriate
6 discount rate. Pursuant to item (e)(11) of the Stipulation, PPI recoveries are subject to true-
7 up on the basis on future measurement and verification results.

8 **Q. HOW WERE THE NET LOST REVENUES DETERMINED?**

9 Net lost revenues, which are applicable to both DSM and EE programs, are determined by
10 multiplying the estimated reduction in sales associated with a measure by a margin based
11 net lost revenue rate. While subject to a few nuances, the following formula embraces the
12 essence of the adjustment.

13
$$\text{NET LOST REVENUES} = \text{LOST SALES} \times \text{NET LOST REVENUE RATE}$$

14 Lost Sales are those sales that do not occur by virtue of employing the DSM / EE measures.
15 These values are initially based on engineering estimates and/or past impact evaluations,
16 with future periods based on updated impact evaluations conducted through the
17 measurement and verification (M&V) activities and applied prospectively and in
18 conjunction with applicable net lost revenue true-ups. The Net Lost Revenue Rate, itself,
19 represents the difference between the average retail rate applicable to the customer class
20 impacted by the measure and (1) the embedded gross receipts taxes, (2) the related average
21 customer charge component of that rate, (3) the average fuel component of the rate, (4) the
22 incremental variable O&M rate as approved in the Company's last CSP tariff, and (5) the

1 impact of the uncollectibles adjustment. When multiple customer classes are impacted by a
2 DSM / EE measures, as with the DSDR program, a weighted or system wide net lost
3 revenue rate is employed.

4 Pursuant to item (d)(6) of the Stipulation, net lost revenues are recoverable for only the first
5 36-months of an installed measure's life and comparable to the PPI, recoveries are subject
6 to true-up on the basis on future measurement and verification results.

7 **Q. ARE ALL PROGRAMS ELIGIBLE FOR PROGRAM PERFORMANCE**
8 **INCENTIVES AND THE RECOUPMENT OF NET LOST REVENUES?**

9 A. No. PPI amounts were not calculated for PEC's DSDR, Residential Low Income, or
10 Residential Solar Hot Water Heating programs. Net lost revenue recoupment was not
11 applied to PEC's Residential Solar Hot Water Heating Program. While PEC's Residential
12 EnergyWise™, DSDR, and CIG Demand Response programs are eligible for net lost
13 revenue recovery, PEC did not request recovery in this filing. These programs consist of
14 event driven measures in which revenue losses are a function of their deployment which
15 cannot be accurately predicted in advance. Net lost revenue recoveries will be requested
16 for these programs based on their actual, as opposed to estimated, deployment.

17 **RATE DEVELOPMENT**

18 **Q. ONCE ALL RELEVANT COSTS ARE ALLOCATED TO SOUTH CAROLINA**
19 **AND IDENTIFIED AS BEING EITHER DSM/EE RELATED, HOW ARE RATES**
20 **ESTABLISHED?**

21 A. PEC schedules are designed to establish three natural rate groups: Residential, General
22 Service and Lighting.

Q. CAN YOU IDENTIFY THE RATE TARIFFS THAT FALL WITHIN EACH RATE CLASS?

A. The following table lists the schedules and riders proposed within each rate class:

RESIDENTIAL	GENERAL SERVICE			LIGHTING
	Small General Service	Medium General Service	Large General Service	
RES R-TOUD R-TOUE	SGS TSS TFS	MGS SGS-TOU SI SGS-TES CSE, CSG GS & Rider SS (less than 1 MW)	LGS LGS-TOU LGS-CUR-TOU LGS-RTP & Rider SS (1 MW & Greater)	ALS SLS SLR SFLS

COST ALLOCATION METHODOLOGY

Q. HOW ARE EE AND DSM RELATED COSTS ALLOCATED TO EACH RATE CLASS?

A. Costs are assigned to customer classes based on program design and participation. In other words, costs are assigned to customer groups that are directly benefitted by the programs. Using this method, residential program costs are allocated solely to residential customers, general service program costs are allocated solely to general service customers, and lighting program costs are allocated solely to lighting customers. Where programs benefit multiple customer groups, the costs are allocated to benefitted groups using appropriate annual energy and/or coincident peak demand based allocation factors.

Q. HOW ARE ANNUAL ENERGY ALLOCATIONS ADJUSTED FOR THE IMPACT OF “OPT-OUT” CUSTOMERS?

A. Rate Class energy allocation factors were developed assuming that the percentage of General Service customer usage “Opted-out” at the end of the test period will continue

1 throughout the rate period. To the extent that actual “Opt-Out” levels diverge from this
2 percentage, recovery variations will be reconciled in subsequent DSM/EE rider true-ups.

3 Estimated commercial and industrial sales forecasted to “Opt-Out” of the DSM/EE rate are
4 provided in Evans Exhibit No. 3.

5 **Q. THE SALES FOR “OPT-OUT” CUSTOMERS ARE EASILY IDENTIFIED, BUT**
6 **HOW IS THE COINCIDENT PEAK OF THESE CUSTOMERS ESTIMATED?**

7 A. As previously noted, commercial customers with annual consumption of 1,000,000 kWh or
8 greater in the billing months of the prior calendar year and all industrial customers may
9 elect not to participate in PEC's demand-side management and energy efficiency programs.
10 PEC reviewed its billing records and identified that at the current “Opt-Out” rate, and based
11 on that rate anticipates that, 2,294,003,153 kWh would not be subject to billing for the
12 twelve month period ending June 30, 2011.

13 Currently installed metering for these customers does not provide usage data at the system
14 peak hour; therefore, this impact is estimated based upon the ratio of “opt-out” sales to total
15 sales for the rate class times the rate class peak demand. This approach should accurately
16 approximate the demand of “opt-out” accounts.

17 **Q. AFTER ADJUSTING ENERGY AND DEMAND FOR “OPT-OUT” CUSTOMERS,**
18 **ARE THE RESULTING ALLOCATION FACTORS THEN USED TO**
19 **DETERMINE REVENUE REQUIREMENTS FOR EACH RATE CLASS?**

20 A. The energy and demand based allocators are employed in cases where programs or
21 measures directly benefit multiple rate groups. Given that a DSM or EE program
22 benefiting multiple rate groups is present, EE costs would be multiplied by Rate Class

1 energy allocation factors and any associated DSM costs would be multiplied by Rate Class
2 demand allocation factors for purposes of cost assignment.

3 The energy allocation rate class factors were developed from the forecasted rate class
4 usage, after subtracting sales for “Opt-Out” customers. The energy allocation factors
5 applicable to each rate class based upon the forecast of rate class sales for the recovery
6 period of July 2010 through June 2011 are provided in Evans Exhibit No. 4.

7 The demand allocation rate class factors are based on the summer coincident peak demand
8 for 2009, after subtracting the estimated demand for “Opt-Out” customers as discussed
9 above. The forecast does not provide rate class coincident peak demands; therefore, the
10 most recent historic data was deemed to be representative of future demand impacts. The
11 demand allocation factors applicable to each rate class are provided in Evans Exhibit No. 5.

12 **Q. DO ANY OF THE COMPANY’S PROGRAMS OR MEASURES BENEFIT**
13 **MULTIPLE CUSTOMER CLASSES?**

14 A. Yes. The Company’s DSDR DSM program benefits multiple customer classes. To
15 allocate DSDR costs, the Rate Class demand allocation factors are employed.

16 **Q. HOW ARE RATE CLASS DSM/EE RATES ESTABLISHED?**

17 A. The calculated rate class EE and DSM revenue requirements are divided by rate class sales,
18 after adjustment for “Opt-Out” customers, to establish the rate class DSM/EE rate. Evans
19 Exhibit No. 6 provides the derivation of the Energy Efficiency Rate. Evans Exhibit No. 7
20 provides the derivation of the Demand Side Management Rate.

1 **Q. WERE PEC’S ESTIMATES OF DISCOUNTED RESIDENTIAL SALES AND**
2 **UNCOLLECTIBLE BILLINGS CONSISTENT WITH ACTUAL RESULTS?**

3 A. Company estimates were fairly consistent with actual results. The Company’s estimated
4 Residential Service Energy Conservation Discount (“RECD”) based adjustment factor of
5 0.8306% was slightly higher than the resulting actual 0.8122%. This difference resulted in
6 an over-collection of \$258.82 during the test period. The actual residential uncollectible
7 rate for the period of 0.6407% was somewhat higher than the estimated value of 0.5038%.
8 This difference resulted in an under-collection of \$1,934.05. The last of these adjustment
9 factors, the general service uncollectible rate associated with the test period of 0.0791%,
10 was less than the estimated value of 0.1020%. This difference resulted in an over-
11 collection of \$182.10. The revised amounts are employed as gross-up factor components
12 used on Evans Exhibit No. 8. The dollar adjustments were used on Evans Exhibit No. 2 to
13 arrive at the residual revenue requirement at the end of the test period, March 31, 2010.

14 **Q. WHAT RATES ARE PROPOSED FOR EACH RATE CLASS?**

15 A. Evans Exhibit No. 9 calculates the DSM/EE annual rates proposed in this proceeding. The
16 DSM/EE rates recover costs forecasted to be incurred during July 1, 2010 through June 30,
17 2011 and the actual costs incurred from March 31, 2010, net of test period recoveries. PEC
18 proposes the following rates, exclusive of gross receipts taxes and SC Regulatory Fees, for
19 each rate class (shown in cents per kWh):

Rate Class	DSM Rate	EE Rate	Adjustment*	DSM/EE Annual Rider**
Residential	0.0823	0.1017	0.0027	0.187
General Service	0.0425	0.0608	0.0001	0.103
Lighting	0.0000	0.0000	0.0000	0.000

** Adjustment for uncollectible billings and Residential RECD discount*

***Billing Rates are rounded to the nearest thousandth of a cent*

- 1 The proposed billing rates, including gross receipts taxes and SC Regulatory Fees for each
2 class are provided in the following table (shown in cents per kWh):

Rate Class	DSM /EE Rate
Residential	0.188¢/kWh
General Service	0.103¢/kWh
Lighting	0.000¢/kWh

3 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

4 A. Yes.

South Carolina Retail - DSM/EE Revenue Requirements Summary

A. Test Period

April 2009 through March 2010

SC DSM Program Expenses																	
1	CIG DR	Per Books	\$ 53,123		\$ -	\$ 53,123	\$ 5,312	\$ 2,963				\$ -	\$ -	\$ 8,275	\$ -	\$ -	\$ 8,275
2	EnergyWise	Per Books	990,963		-	990,963	99,096	10,801				-	-	109,897	-	21,414	131,311
3	Total DSM	Σ Lines 1 thru 2	\$ 1,044,086		\$ -	\$ 1,044,086	\$ 104,408	\$ 13,764				\$ -	\$ -	\$ 118,172	\$ -	\$ 21,414	\$ 139,586
4	DSM Assigned to A&G Cost	Per Books			138,440	138,440	13,844	11,082				69,688	20,096	114,710	-	-	114,710
5	Total DSM and Assigned Cost	Σ Lines 3 thru 4	\$ 1,044,086		\$ 138,440	\$ 1,182,526	\$ 118,252	\$ 24,846				\$ 69,688	\$ 20,096	\$ 232,882	\$ -	\$ 21,414	\$ 254,296
SC EE Program Expenses																	
6	Res Home Advantage	Per Books	\$ 109,458		\$ -	\$ 109,458	\$ 10,946	\$ 8,752				\$ -	\$ -	\$ 19,698	\$ 4,298	\$ 1,030	\$ 25,026
7	Res Home Energy Improvem't	Per Books	629,369		-	629,369	62,937	6,767				-	-	69,704	25,754	9,314	104,772
8	Residential Low Income	Per Books	113,139		-	113,139	11,314	1,421				-	-	12,735	3,311	-	16,046
9	CIG Energy Efficiency	Per Books	659,442		-	659,442	65,944	17,682				-	-	83,626	79,031	30,114	192,770
10	Solar Hot Water Pilot	Per Books	21,640		-	21,640	2,164	131				-	-	2,295	-	-	2,295
11	Residential Lighting1	Per Books	177,403		-	177,403	35,481	-				-	-	35,481	12,727	-	48,208
12	Res Appliance Recycling	Per Books	13,203		-	13,203	1,320	-				-	-	1,320	-	-	1,320
13	Home Depot CFL	Per Books	-		-	-	-	2,140				-	-	2,140	58,783	10,473	71,396
14	Total EE	Σ Lines 6 thru 13	\$ 1,723,654		\$ -	\$ 1,723,654	\$ 190,106	\$ 36,893				\$ -	\$ -	\$ 226,999	\$ 183,904	\$ 50,930	\$ 461,833
15	EE Assigned to A&G Cost	Per Books			215,351	215,351	21,535	21,350				115,009	32,289	190,183	-	-	190,183
16	Total DSM and Assigned Cost	Σ Lines 14 thru 15	\$ 1,723,654		\$ 215,351	\$ 1,939,005	\$ 211,641	\$ 58,243				\$ 115,009	\$ 32,289	\$ 417,182	\$ 183,904	\$ 50,930	\$ 652,016
SC DSDR Program Expenses																	
17	DSDR Program	Per Books	\$ 600,767	\$ 20,851	\$ -	\$ 621,618	\$ 62,162	27,891	\$ 405,924	\$ 115,330	\$ 25,634	\$ 135,063	\$ 103,634	\$ 59,793	\$ 935,431	\$ -	\$ 935,431
18	DSDR Assigned to A&G Cost	Per Books			94,512	94,512	9,451	32,405						41,856	-	-	41,856
19	Total DSM and Assigned Cost	Σ Lines 17 thru 18	\$ 600,767	\$ 20,851	\$ 94,512	\$ 716,130	\$ 71,613	\$ 60,296	\$ 405,924	\$ 115,330	\$ 25,634	\$ 135,063	\$ 103,634	\$ 59,793	\$ 977,287	\$ -	\$ 977,287
20	Test Period Totals	Lines 5 + 16 + 19	\$ 3,368,507	\$ 20,851	\$ 448,303	\$ 3,837,661	\$ 401,506	\$ 143,385	\$ 405,924	\$ 115,330	\$ 25,634	\$ 135,063	\$ 288,331	\$ 112,178	\$ 1,627,351	\$ 183,904	\$ 1,883,599

¹ Residential Lighting is being recovered over a 5 year period. All other EE programs are over 10 years.

South Carolina Retail - DSM/EE Revenue Requirements Summary

B. Rate Period

July 2010 through June 2011

SC DSM Program Expenses	
1	CIG DR
2	EnergyWise
3	Total DSM
4	DSM Assigned to A&G Cost
5	Total DSM and Assigned Cost
SC EE Program Expenses	
6	Res Home Advantage
7	Res Home Energy Improvem't
8	Residential Low Income
9	CIG Energy Efficiency
10	Solar Hot Water Pilot
11	Residential Lighting ¹
12	Res Appliance Recycling
13	Home Depot CFL
14	Total EE
15	EE Assigned to A&G Cost
16	Total DSM and Assigned Cost

SC DSDR Program Expenses	
17	DSDR Program
18	DSDR Assigned to A&G Cost
19	Total DSM and Assigned Cost

20	Rate Period Totals
----	--------------------

Per Forecast
Per Forecast
Σ Lines 1 thru 2
Per Books
Σ Lines 3 thru 4

Per Forecast
Per Forecast
Per Forecast
Per Forecast
Per Forecast
Per Forecast
Per Forecast
Per Forecast
Σ Lines 6 thru 13
Per Books
Σ Lines 14 thru 15

Per Forecast
Per Forecast
Σ Lines 17 thru 18

Lines 5 + 16 + 19

SOUTH CAROLINA JURISDICTIONALLY ALLOCATED RETAIL COSTS ONLY															
O&M	Insurance	A&G Expense	Capitalized O&M and A&G	Current Period Amortization	Prior Period Amortization	DSDR Capital Costs	Income Taxes on DSDR Capital Costs	DSDR Property Taxes	DSDR Depreciation	Carrying Costs Net of Taxes	Income Taxes on Carrying Cost	Rev Reqmt Before PPI & NLR	Net Lost Revenue	PPI	Total Revenue Requirement
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
ΣCols(1)thru(3)			ΣCols(5)thru(12)			ΣCols(13)thru(15)									
\$ 380,636		-	\$ 380,636	\$ 38,064	8,275					\$ -	\$ -	\$ 46,339	\$ -	\$ 15,671	\$ 62,010
1,422,231		-	1,422,231	142,223	109,897					-	-	252,120	-	95,699	347,819
\$ 1,802,867		\$ -	\$ 1,802,867	\$ 180,287	\$ 118,172					\$ -	\$ -	\$ 298,459	\$ -	\$ 111,370	\$ 409,829
		147,443	147,443	14,744	24,926					145,824	53,476	238,970	-	-	238,970
\$ 1,802,867		\$ 147,443	\$ 1,950,310	\$ 195,031	\$ 143,098					\$ 145,824	\$ 53,476	\$ 537,429	\$ -	\$ 111,370	\$ 648,799
\$ 179,707		\$ -	\$ 179,707	17,971	19,698					\$ -	\$ -	\$ 37,669	\$ 18,698	\$ 4,885	61,252
749,590		-	749,590	74,959	69,704					-	-	144,663	88,809	31,074	264,545
293,111		-	293,111	29,311	12,735					-	-	42,046	41,593	-	83,639
1,319,009		-	1,319,009	131,901	83,626					-	-	215,527	336,686	95,266	647,479
38,967		-	38,967	3,897	2,295					-	-	6,192	-	-	6,192
876,382		-	876,382	175,276	35,481					-	-	210,757	516,659	68,476	795,892
257,510		-	257,510	25,751	1,320					-	-	27,071	32,830	3,692	63,592
-		-	-	-	2,140					-	-	2,140	23,899	10,473	36,512
\$ 3,714,276		\$ -	\$ 3,714,276	\$ 459,066	\$ 226,999					\$ -	\$ -	\$ 686,065	\$ 1,059,172	\$ 213,866	\$ 1,959,103
		335,955	335,955	33,596	42,885					284,959	104,499	465,939	-	-	465,939
\$ 3,714,276		\$ 335,955	\$ 4,050,231	\$ 492,662	\$ 269,884					\$ 284,959	\$ 104,499	\$ 1,152,004	\$ 1,059,172	\$ 213,866	\$ 2,425,042
\$ 661,921	\$ 7,015	\$ -	\$ 668,936	\$ 66,192	90,053	\$ 1,140,284	\$ 530,587	\$ 135,490	\$ 582,518	\$ 97,547	\$ 35,772	\$ 2,678,443	\$ -	\$ -	\$ 2,678,443
		51,098	51,098	5,110	41,856							46,966	-	-	46,966
\$ 661,921	\$ 7,015	\$ 51,098	\$ 720,034	\$ 71,302	131,909	\$ 1,140,284	\$ 530,587	\$ 135,490	\$ 582,518	\$ 97,547	\$ 35,772	\$ 2,725,409	\$ -	\$ -	\$ 2,725,409
\$ 6,179,064	\$ 7,015	\$ 534,496	\$ 6,720,575	\$ 758,995	\$ 544,891	\$ 1,140,284	\$ 530,587	\$ 135,490	\$ 582,518	\$ 528,330	\$ 193,747	\$ 4,414,842	\$ 1,059,172	\$ 325,236	\$ 5,799,250

¹ Residential Lighting is being recovered over a 5 year period. All other EE programs are over 10 years.

PROGRESS ENERGY CAROLINAS, INC.

Determination of Net Revenue Requirement for Test Period

		Residential	General Service	Lighting	Total
1 Prior Period Cost of Service (9-07 to 3-09)					
2 Energy Efficiency Programs	Docket No. 2009-191-E	\$ 128,966.62	\$ 17,681.64	\$ -	\$ 146,648.26
3 EE A&G and Carrying Cost Allocation	Docket No. 2009-191-E	33,941.73	27,412.86	-	61,354.59
4 Total Energy Efficiency Cost of Service	Line 2 + Line 3	\$ 162,908.35	\$ 45,094.50	\$ -	\$ 208,002.85
5					
6 Demand Side Management Programs	Docket No. 2009-191-E	\$ 80,314.12	\$ 34,630.47	\$ -	\$ 114,944.59
7 DSM A&G and Carrying Cost Allocation	Docket No. 2009-191-E	58,997.21	25,779.74	-	84,776.95
8 Total DSM Cost of Service	Line 6 + Line 7	\$ 139,311.33	\$ 60,410.20	\$ -	\$ 199,721.54
9					
10 Total Cost of Service thru 3-31-09	Line 4 + Line 8	\$ 302,219.68	\$ 105,504.70	\$ -	\$ 407,724.38
11					
12 Current Period Cost of Service (4-09 to 3-10)					
13 Energy Efficiency Programs	Exhibit 1	\$ 143,373.00	\$ 83,626.00	\$ -	\$ 226,999.00
14 EE A&G and Carrying Cost Allocation	Exhibit 1	120,119.94	70,063.06	-	190,183.00
15 PPI and Net Lost Revenues	Exhibit 1	125,690.05	109,144.29	-	234,834.34
16 Total Energy Efficiency Cost of Service	Lines 13 + 14 + 15	\$ 389,182.99	\$ 262,833.35	\$ -	\$ 652,016.34
17					
18 Demand Side Management Programs	Exhibit 1	\$ 109,897.00	\$ 8,275.00	\$ -	\$ 118,172.00
19 DSM A&G and Carrying Cost Allocation	Exhibit 1	106,677.43	8,032.57	-	114,710.00
20 DSM PPI and Net Lost Revenues	Exhibit 1	21,413.83	-	-	21,413.83
21 DSDR Program	Exhibit 1	565,114.77	370,316.23	-	935,431.00
22 DSDR A&G and Carrying Cost Allocation	Exhibit 1	25,286.14	16,569.86	-	41,856.00
23 Total DSM Cost of Service	Σ Lines 18 thru 22	\$ 828,389.17	\$ 403,193.66	\$ -	\$ 1,231,582.83
24					
25 Cost of Service for 12 ME 3-31-10	Line 16 + Line 23	1,217,572.16	666,027.01	-	1,883,599.17
26					
27 Total Cost of Service thru March 31, 2010					
28 Energy Efficiency Programs	Line 4 + Line 16	\$ 552,091.35	\$ 307,927.85	\$ -	\$ 860,019.19
29 Demand Side Management Programs	Line 8 + Line 23	967,700.50	463,603.87	-	1,431,304.36
30 Total COS Before Revenue Offsets	Line 28 + Line 29	\$ 1,519,791.84	\$ 771,531.71	\$ -	\$ 2,291,323.55
31					
32 Rev Req Percentages from Prior Filing					
33 EE Percentage of Revenue Requirement	Docket No. 2009-191-E	29.95%	37.84%	-	32.52%
34 DSM Percentage of Revenue Requirement	Docket No. 2009-191-E	70.05%	62.16%	-	67.48%
35					
36 Actual Revenue (7-09 to 3-10)	Per Books	\$ 1,412,748.14	\$ 795,184.50	\$ -	\$ 2,207,932.64
37 EE Portion of Revenue	Line 33 x Line 36	423,099.92	300,860.67	-	723,960.59
38 DSM Portion of Revenue	Line 34 x Line 36	989,648.22	494,323.83	-	1,483,972.05
39 Check Total	Line 37 + Line 38	\$ 1,412,748.14	\$ 795,184.50	\$ -	\$ 2,207,932.64
40					
41 Adjustments					
42 RECD Discount - Energy Efficiency	WPs	\$ (77.51)	\$ -	\$ -	\$ (77.51)
43 RECD Discount - Demand Side Management	WPs	(181.31)	-	-	(181.31)
44 Uncollectible - Energy Efficiency	WPs	579.22	(68.90)	-	510.33
45 Uncollectible - Demand Side Management	WPs	1,354.83	(113.20)	-	1,241.63
46 Total Adjustments	Lines 42 + 43 + 44 + 45	1,675.23	(182.10)	-	1,493.13
47					
48 Revenue Requirement at March 31, 2010					
49 EE Portion of Revenue Requirement	Lines 28 - 37 + 42 + 44	\$ 129,493.13	\$ 6,998.28	\$ -	\$ 136,491.41
50 DSM Portion of Revenue Requirement	Lines 29 - 38 + 43 + 45	(20,774.20)	(30,833.16)	-	(51,607.37)
51 Total Revenue Requirement at 3-31-10	Line 49 + Line 50	\$ 108,718.93	\$ (23,834.89)	\$ -	\$ 84,884.05

PROGRESS ENERGY CAROLINAS, INC.
Annual DSM/EE Opt-Out Sales Estimate for SC Customers
Annual Sales for the Year Ended June, 2011

Rate Class	Opt-Out KWHs
Residential	0
General Service	2,290,855,124
Lighting	3,148,029
Total Estimated Opt-Out Sales	2,294,003,153

PROGRESS ENERGY CAROLINAS, INC.
Energy Allocation Factors - Applicable to EE Program Costs

South Carolina Rate Class Energy Allocation Factors

Rate Class	Total SC Rate Class Sales (MWhrs) ⁽¹⁾	Opt-Out Sales ⁽²⁾	Adjusted SC Rate Class MWhr Sales	Rate Class Energy Allocation Factor
	(1)	(2)	(3) = (1) - (2)	(4) = (3) / SC Total in Column 3
Residential	2,138,622	0	2,138,622	51.99%
General Service	4,176,166	2,290,855	1,885,311	45.83%
Lighting	92,889	3,148	89,741	2.18%
SC Retail	6,407,677	2,294,003	4,113,674	100.00%

NOTES:

- (1) Total SC Rate Class Sales (MWhrs) are for the forecasted year ended June 2011.
(2) Opt-Out sales are provided in Evans Exhibit No. 3

PROGRESS ENERGY CAROLINAS, INC.

Demand Allocation Factors - Applicable to DSM Programs

South Carolina Rate Class Demand Allocation Factors

Rate Class	Total SC Rate Class Sales ⁽¹⁾	Sales Subject to Opt-Out ⁽²⁾	Rate Class Demand ⁽³⁾	Revised Rate Class Demand $(4) = ((1 - 2) / 1) * 3$	Rate Class Allocation Factor $(5) = (4) / \text{Total of Column 4}$
	(1)	(2)	(3)		
Residential	2,138,622	0	504,141	504,141	60.41223%
General Service	4,176,166	2,290,855	731,784	330,361	39.58777%
Lighting	92,889	3,148	0	0	0.00000%
SC Retail	6,407,677	2,294,003	1,235,925	834,502	100.00000%

NOTES:

- (1) Total SC Rate Class Sales (MWHrs) are for the forecasted year ended June 2011.
- (2) Opt-Out sales are provided in Evans Exhibit No. 3
- (3) The CP demands are based on the 2009 Coincident Peak occurring on August 10 during the hour ended at 4 P.M.

PROGRESS ENERGY CAROLINAS, INC.

Energy Efficiency Rate Derivation

SC Rate Class	Adjusted SC Rate Class kWhr Sales ⁽¹⁾	Rate Class Energy Allocation Factor ⁽²⁾	EE Revenue Requirements							
			Residential Programs ⁽³⁾	CIG Programs ⁽⁴⁾	Common Programs	Allocated A&G Costs ⁽⁵⁾	Allocated Carrying Costs ⁽⁵⁾	Net Test Period Revenue Requirement ⁽⁶⁾	Total of Allocated Costs	Total EE Rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) = Σ (3 thru 8)	(10) = (9) / (1)
Residential	2,138,622,214	51.99%	\$1,311,624	\$0	\$0	\$52,455	\$267,110	\$129,493	\$1,760,682	\$0.000823
General Service	1,885,311,106	45.83%	\$0	\$647,479	\$0	\$24,026	\$122,348	\$6,998	\$800,852	\$0.000425
Lighting	89,740,909	2.18%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.000000
SC Retail	4,113,674,228	100%	\$1,311,624	\$647,479	\$0	\$76,481	\$389,458	\$136,491	\$2,561,533	\$0.000590

NOTES:

(1) Rate Class Sales, excluding "Opt-Out" sales, are derived in Evans Exhibit No. 4, column (3).

(2) Rate Class Energy Allocation Factor is derived in Evans Exhibit No. 4, column (4).

(3) CFL, Solar Water Heating Pilot, Residential HEIP, Residential Lighting, Appliance Recycling and Residential Home Advantage Program costs are allocated solely to Residential Class.

(4) CIG Energy Efficiency costs are allocated solely to General Service Class.

(5) A&G and Carrying Costs are allocated on the basis of revenue requirements (excluding incentives).

(6) Net Energy Efficiency Revenue Requirements are derived on Evans Exhibit No. 2

PROGRESS ENERGY CAROLINAS, INC.

Demand Side Management Rate Derivation

SC Rate Class	Adjusted SC Rate Class kWhr Sales ⁽¹⁾	Rate Class Demand Allocation Factor ⁽²⁾	DSM Revenue Requirement							
			Residential Programs ⁽³⁾	CIG Programs ⁽⁴⁾	DSDR ⁽⁵⁾	Non-DSDR Assigned A&G and Carrying Costs ⁽⁶⁾	DSDR Assigned A&G and Carrying Costs ⁽⁵⁾	Net Test Period Revenue Requirement ⁽⁷⁾	Total of Allocated Costs	Total DSM Rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(7)	(8) = Σ (3 thru 7)	(9) = (8) / (1)
Residential	2,138,622,214	60.41%	\$347,819	\$0	\$1,537,566	\$201,867	\$108,914	-\$20,774	\$2,175,393	\$0.001017
General Service	1,885,311,106	39.59%	\$0	\$62,010	\$1,007,558	\$37,103	\$71,371	-\$30,833	\$1,147,208	\$0.000608
Lighting	89,740,909	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.000000
SC Retail	4,113,674,228	100.00%	\$347,819	\$62,010	\$2,545,124	\$238,970	\$180,285	-\$51,607	\$3,322,601	\$0.000808

NOTES:

- (1) Rate Class Sales, excluding "Opt-Out" sales, are derived in Evans Exhibit No. 4, column (3).
- (2) Rate Class Demand Allocation Factor is derived in Evans Exhibit No. 5, column (5).
- (3) EnergyWise costs are directly assigned solely to Residential Rate Class.
- (4) CIG DR Program costs are directly assigned solely to General Service Class.
- (5) DSDR Costs and assigned A&G and carrying costs are allocated using Rate Class Demand Allocation Factor from column (2).
- (6) Non-DSDR A&G and Carrying Costs are allocated on the basis of revenue requirements (before adjustment for incentives) assigned in columns (3) and (4).
- (7) Net DSM Revenue Requirements are derived on Evans Exhibit No. 2

PROGRESS ENERGY CAROLINAS, INC.
EE/DSM Billing Rate - July 2009 through June 2010
Revenue Adjustment Factors

Residential Adjustment Factor

1	Billed kWh (12ME 3/31/09)	<i>Per Books</i>	2,288,635,954
2	Billed RECD kWh (12ME 3/31/09)	<i>Per Books</i>	<u>371,783,179 (a)</u>
3	RECD kWh Percent of Total Billed	<i>Line 2 / Line 1</i>	16.2447%
4	RECDiscount	<i>RECD Discount</i>	<u>5.0000% (b)</u>
5	RECD Impact (Weighted Discount)	<i>Line 3 x Line 4</i>	0.8122% (d)
6	Uncollectable Estimate for Forecast Period	<i>Estimate</i>	<u>0.6407% (c)</u>
7	Residential Adjustment Factor for Rate Period	<i>Line 5 + Line 6</i>	<u><u>1.4529% (d)</u></u>

General Service Adjustment Factor

8	Uncollectable Estimate for Forecast Period	<i>Estimate</i>	<u>0.0791% (c)</u>
9	General Service Adjustment Factor for Rate Period	<i>Line 8</i>	<u><u>0.0791% (d)</u></u>

Notes:

- (a) Energy billed and discounted pursuant to Residential Energy Conservation Discount, Rider RECD-2B.
- (b) Five-percent discount provided under Residential Energy Conservation Discount, Rider RECD-2B.
- (c) Estimated incremental level of uncollectables associated with DSM/EE billings.
- (d) Estimated impacts of uncollectable and RECD related discounts will be trued up to actual amounts.

PROGRESS ENERGY CAROLINAS, INC.
EE/DSM Billing Rate - July 2009 through June 2010

All rates are shown in dollars per kWh

Rates Net of South Carolina Gross Receipts Taxes (GRT) and Regulatory Fee

SC Rate Class	Total EE Rate (1)	Total DSM Rate (2)	Total DSM/EE Rate (3)	RECD & Uncollectible Adjustment (4)	DSM/EE Rate (5)
Residential	\$0.000823	\$0.001017	\$ 0.001840	\$0.000027	\$0.00187
General Service	0.000425	0.000608	0.001033	0.000001	\$0.00103
Lighting	0.000000	0.000000	0.000000	0.000000	\$0.00000
SC Retail	\$0.000623	\$0.000807	\$0.001430	\$0.000014	\$0.001444

Rates Including SC Gross Receipts Taxes at 0.30% and Regulatory Fee at 0.1541%

SC Rate Class	DSM/EE Rate <i>(net of GRT)</i> (6)	Gross Receipts Tax and Regulatory Fee Adjustment (7)	DSM/EE Billing Rate (8)
Residential	\$0.00187	\$0.00001	\$0.00188
General Service	0.00103	0.00000	0.00103
Lighting	0.00000	0.00000	0.00000
SC Retail	\$0.001444	\$0.000006	\$0.00145

NOTES:

- (1) Total EE Rate is derived in Evans Exhibit No. 6, column (10).
- (2) Total DSM Rate is derived in Evans Exhibit No. 7, column (9).
- (3) Total DSM/EE Rate is sum of columns (1) and (2).
- (4) Adjustment factors derived in Evans Exhibit No. 8 applied to column (3)
- (5) DSM/EE Rate is derived from the sum of columns (3) and (4).
- (6) DSM/EE Billing Rate from column (5)
- (7) Calculated Gross Receipts Tax and Regulatory Fee at the combined rate of 0.4541% on column (6)
- (8) DSM/EE Billing Rate is derived from the sum of columns (6) and (7) and rounded to 5 decimal points.